

Final Annual Performance Plan 2019/2020



Table of Contents	Page
LIST OF ACRONYMS.....	1
FOREWORD BY ACTING CHAIRPERSON OF COUNCIL.....	2
OVERVIEW BY THE CHIEF EXECUTIVE OFFICER.....	4
OFFICIAL SIGN-OFF.....	5
BACKGROUND OF THE NATIONAL HOME BUILDERS REGISTRATION COUNCIL	6
MANDATE OF THE NATIONAL HOME BUILDERS REGISTRATION COUNCIL	9
FINAL ANNUAL PERFORMANCE PLAN 2019/2020 – EXECUTIVE SUMMARY	23
PART A – STRATEGIC OVERVIEW.....	27
PART B - PROGRAMME PLANS	38

Figures	Page
Figure 1. Governance structure	12
Figure 2. Organisational structure.....	13
Figure 3. Organisational footprint.....	21
Figure 4. Regional and Provincial Offices and the service points of the NHBRC.....	22
Figure 5. Economic Outlook.....	29
Figure 6. Delivery by NDHS and enrolments by NHBRC for the period 2019/20 to 2023/2024 .	41
Figure 7. Strategy map of NHBRC.....	59

Tables	Page
Table 1. Skills required for the Centre For Research and Housing Innovation	33
Table 2. Skills required for Legal, Compliance and Enforcement division	33
Table 3. Skills required for the Finance division.....	34
Table 4. Skills required for the Business Services division	34
Table 5. Overview of 2019/2020 and MTEF (Medium Term Expenditure Framework) estimates 35	
Table 6. Budget structure (all programmes).....	37
Table 7. MTSF targets.....	71
Table 8. Budget 2019/2020 financial year.....	73
Table 9. Materiality Framework	91
Table 10. Risk Management Plan.....	92

LIST OF ACRONYMS

ABT	Alternative Building Technologies
APP	Annual Performance Plan
BEE	Black Economic Empowerment
BNG	Breaking New Ground
CETA	Construction Education and Training Authority
CPI	Consumer Price Index
ERP	Enterprise Resource Plan
HCPMA	Housing Consumers Protection Measures Act, 1998 (Act No. 95 of 1998)
IBT	Innovative Building Technologies
ICT	Information and Communication Technology
IHA	International Housing Association
ISO	International Organisation for Standardisation
KPA	Key performance area
LCE	Legal, Compliance and Enforcement
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NDHS	National Department of Human Settlements
NDP	National Development Plan
NHBRC	National Home Builders Registration Council
NT	National Treasury
PFMA	Public Finance Management Act, 1999 (Act No.1 of 1999)
PHSD	Provincial Human Settlement Departments
PMO	Project Management Office
PMU	Project Management Unit
ROI	Return on Investment
SABS	South African Bureau of Standards
SAPOA	South African Property Owners Association
SCM	Supply Chain Management
SHS	Sustainable Human Settlement
VFP	Valuable Final Products

FOREWORD BY CHAIRPERSON OF COUNCIL

In the Minister's May 2018 inaugural budget vote for Human Settlements in the national assembly for financial year 2018/19, the Honourable Minister referred to the future of this important sector as the Golden Era of Human Settlements Expansion. This expansion, the Minister proclaimed, will be underpinned by four critical pillars of success. Firstly, land assembly; secondly, formidable institutions; thirdly, funding and lastly cutting edge expertise. The Honourable Minister further emphasised that this Era ought to drastically address the housing backlog and the increasing housing needs pressuring our society. I share your hope that this will ultimately result in stimulating the human settlements economic value-chain, specifically the property development sector. Ultimately, this will lead to the creation of much needed employment that accrues benefits to the construction industry with transformative spin-offs that must benefit the most vulnerable people, including youth, people living with disability as well as women in the sector.

We are humbled by the Minister's appointment of the Board of the National Home Builders Registration Council (NHBRC) in August, 2018. We can confirm that this Council will certainly heed the clarion call and partner with the National Department of Human Settlements (NDHS) by ensuring the transformation of this important entity into a formidable institution worthy of our national pride. We are pleased to report that this new Council has settled well into their role as the custodians of good governance and are eager to lead the entire family of the NHBRC in the protection of housing consumers as prescribed in the Housing Consumers Protection Measures Act, 1998 (Act No. 95 of 1988), as amended. We further commit the NHBRC to the realisation of your stated vision for a Golden Era of Human Settlements Expansion and humbly submit that this has found expression in our Medium Term Strategic Framework (MTSF) period 2019/24. It is therefore my pleasure to present the NHBRC's Corporate Plan for the MTSF period 2019/24 and the Annual Performance Plan for the financial year 2019/2020.

As we journey towards the creation of a formidable NHBRC, the new Council has sought to ensure an effectively run and governed organisation. In light of this, the Council has sought to consolidate and establish Council Committees to oversee the deliverables of the entity in line with best practice governance protocols and ethical leadership. This will further be translated into visionary partnerships between the NHBRC and key stakeholders in this sector as we join efforts to realise clear responsibilities and accountabilities as mandated by our Shareholder Compact. The South African public at large and the Ministry must rest assured that this Council takes seriously our fiduciary duties to root out corruption, financial maleficence and hold the NHBRC executive accountable to the highest standards of ethical leadership in order to restore faith in the public sector.

The protection of housing consumers remains the cornerstone of the NHBRC's mandate and Council remains committed to representing the interest of housing consumers through the provisioning of warranty protection against poor workmanship for new houses; failure of home builders to comply with relevant obligations as espoused in the Act; setting of technical standards to govern the home building industry and the promotion of housing consumer rights through advocacy, awareness and communication that serve to position the NHBRC as an accessible and transparent agency of the National Department of Human Settlements.

This organisation is committed to supporting the NDHS' transformation imperatives aimed at developing human settlements that seeks to ensure spatial integration, provisioning of quality housing infrastructure and economic development. All three integrated objectives are in response to the National Development Plan outcome 8. The NHBRC is poised to support the achievement of these lofty ideals with the view of restoring the dignity of our compatriots. We strive to achieve measurable progress through our numerous interventions aimed at developing and capacitating small to medium size construction companies, with a special emphasis on the designated groups comprising women, youth, military veterans and people living with disabilities.

The NHBRC's Eric Molobi Centre for Housing Research and Innovation continues to focus on the acceptance and delivery of alternative building technologies as well as the provisioning of concomitant training opportunities for home builders. Our research agenda will receive renewed focus on the production of intellectual property that ought to position the NHBRC as the thought leader in the home-building sector. The pressure is on for the transformation of the home-building sector to contribute to the reduction of the country's

carbon footprint as envisaged by us being a signatory to the Paris Agreement on Climate Change. This will form part of our contribution towards deepening the availability of cutting-edge expertise that promise to have a positive and sustainable impact on this sector.

This Council will work closely with the agency's officials to give effect to the recommendations of the Auditor General in order to ensure that the NHBRC achieves a clean audit. This Council will monitor mitigating and remedial actions proposed by management towards achieving this goal.

The fourth industrial revolution is upon us. This brings into sharper focus the need for the organisation to provide products and services that reflect this orientation or risk being left by the wayside. A comprehensive digital migration strategy is being envisaged to achieve this very goal and substantial financial and other resources will be marshalled to achieve this important transition. This will be done, not as a vanity cause, but as a demonstration of the seeding of a renewed culture of service excellence and to join the growing number of State Owned Entities that are contributing to offering e-Government services to our country's citizens. Those without access to digital platforms will have access to our products and services via our mobile office offering, which continues to reach those in deep rural areas.

Looking back on the achievements of the NHBRC, allow me to pay homage, and express gratitude, to the employees of the NHBRC who work tirelessly to satisfy our numerous key stakeholders. As Council, we are committed to partner with Team NHBRC to ensure the realisation of a formidable and sustainable organisation.

On behalf of the Council, I commit management and Council into an annual compact between the Executive Authority and NHBRC for each year of the Medium Term Strategic Planning Framework (2019 – 2024) based on this Strategic Corporate Plan.

Respectfully,



Mr. Enoch Godongwana
Chairperson of Council

OVERVIEW BY THE CHIEF EXECUTIVE OFFICER

The mandate of the NHBRC is to regulate the homebuilding industry and protect housing consumers. The core business of the organisation is: the registration of home builders, renewals of registration for home builders, enrolment of homes (subsidy and non-subsidy), late enrolment of homes, inspections of homes, project enrolment of homes, consolidation of homes, geotechnical investigation and forensic investigation, resolution of complaints, conciliations between a housing consumer and homebuilder and legal advisory and enforcement of norms and standards.

The registration of home builders in the sector has decreased by 28% from the 2016/2017 financial year to 2017/2018 financial year. A total of 3,535 home builders were registered with the NHBRC against a target of 4,035 for the financial year under review. The trend over the years is that when government advertises human settlements construction tenders, more home builders register with the NHBRC such that they are ready to participate in activities related to these tenders. It appears that home builders, in most cases, are motivated by an increase of activities in the market to register with the regulator. The NHBRC has been conducting workshops geared towards showing home builders the benefits of being a registered homebuilder. The NHBRC has conducted a forecast for the 2019/2020 financial year and based on the economic activities currently prevailing, the NHBRC projects to register a total of 2,885 home builders. The management of the NHBRC is well aware that there is a performance gap due to the fact that forecasts for the 2019/20 financial year are done based on the reasonably foreseeable performance of the 2018/2019 financial year.

The NHBRC has witnessed an increase in the number of home builders who renewed their registration for the 2017/2018 financial year. This has been the trend since 2014/15, with an average of 75% renewals in the last four years. The NHBRC has a total of 16,000 active home builders who are in the database. The process of the organisation stipulates that home builders must renew their registration on an annual basis which is necessary where home builders have to do some remedial works so that they should be found to be active in the homebuilding industry. The NHBRC has projected to renew a total of 12,903 home builders for the 2019/2020 financial year.

The NHBRC has enrolled a total of 56,727 homes in the non-subsidy sector against a target of 50,660 which indicates the 12% achievement of this target due to economic conditions which the organisation has no control over. We have further enrolled 66,691 homes in the subsidy for the year under review. The discrepancy with the enrolment numbers of NHBRC could be due to the department having built some units which were enrolled in the previous years. The NHBRC's subsidy sector enrolments are in alignment to the approved strategy by the Minister for the delivery of quality homes. The positive performance in the subsidy sector is attributed to an increased performance by provincial human settlements departments. The NHBRC projects a total enrolment of 63,614 subsidy homes for the 2019/2020 financial year based on the historical performance in the sector.

The NHBRC has always discouraged home builders from the late enrolment of homes since this poses a risk to the warranty fund, and also robs the organisation of an opportunity to conduct inspections. The NHBRC has always insisted that home builders must give a financial guarantee to the NHBRC in cases where they started construction of homes where enrolment was not done. In an effort to discourage the late enrolment of homes, the NHBRC requires the bank financial guarantee which serves as a security in the event of structural defects for such homes. This effort is anchored on the principle of ensuring that home builders fully comply with the Housing Consumers Protection Measures Act.

Council has adopted a zero tolerance approach towards non-compliance with the Housing Consumers Protection Measures Act. For the financial year 2017/18, a total of 75,176 homes were inspected in the non-subsidy sector against a target of 50,660 homes and 83,369 subsidy homes were inspected against a target of 693,752 homes. The low performance in the subsidy sector was attributed to the misalignment of target between the NHBRC and the Department

of Human Settlements. The NHBRC has projected to conduct 75,379 home inspections in the subsidy sector and 50,130 home inspections in the non-subsidy sector for the 2019/2020 financial year.

Disciplinary Hearing Cases

A total of 506 disciplinary hearings were conducted by the NHBRC, which resulted in a total of 211 home builders being suspended for the year under review. These resulted from: failing to attend to complaints from housing consumers; failing to adhere to norms and standards; and for failing to attend to major structural defects. It is upon this basis that the database of defaulting home builders is then circulated to all the provinces with the sole aim of ensuring that non-compliant home builders are prevented from practicing in the construction sector, until their suspension is lifted. The NHBRC has projected that 100% of home builder notice of non-compliance is actioned as received. It was deemed important to also conduct notice of non-compliance actioned within 5 working days from date of receipt of instructions by legal officers.

Inspection of homes

The inspection of homes is the core business of the NHBRC, and the organisation views inspection as a mitigating factor against the warranty fund. We have therefore ensured that the inspectorate has adequate capacity to ensure the speedy and quality inspection of homes for both the subsidy and the non-subsidy sector.

Training of women and youth

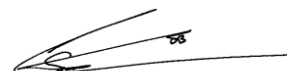
Housing delivery to drive job creation for women and youth in particular remains one of the NDHS's key priorities. To this end, the NHBRC has, through its Social Transformation and Empowerment programme, focused on training and building the capacity of women and youth. During this financial year, we undertook training initiatives for home builders, youth, women, inspectors, artisans, people with disabilities and military veterans. A total of 9,343 individuals were trained on various skills for the 2017/18 financial year. The Eric Molobi Centre of Excellence has been recommended by the NDHS to be used as a base for coordinating training events for women and youth. Our strategy is to ensure that training is carried out where construction is in progress to give trainees the necessary exposure to both the theoretical and practical side of the training.

OFFICIAL SIGN-OFF

It is hereby certified that this Annual Performance Plan 2019/2020:

- Was developed by the management of the NHBRC under the guidance of the Council
- Takes into account all the relevant policies, legislation and other mandates for which the NHBRC is responsible; and
- Accurately reflects the strategic outcome oriented goals and objectives which the NHBRC will endeavour to achieve over the period 2019/2020.

Mr. Songezo Boo



Chief Financial Officer

Signature

Mr. Mona Molepo

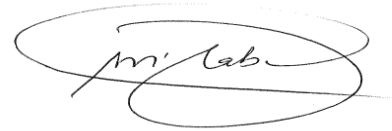
Acting Manager: Strategy, Monitoring and Evaluation



Signature

Mr. M Diabantu

Accounting Officer (CEO)



Signature

Mr. Enoch Godongwana

Chairperson of the Board



Signature

Ms. NC Mfeketo, MP

Executive Authority

Signature

BACKGROUND OF THE NATIONAL HOME BUILDERS REGISTRATION COUNCIL

The National Home Builders Registration Council (NHBRC) was established in terms of the HCPMA. It was primarily established to protect the interests of housing consumers and to regulate the homebuilding industry.

Before the commencement of the HCPMA, the National Home Builders Registration Council (Pty) Ltd was established as a Section 21 company, also known as a non-profit company. Its key objective was to promote the common interests of persons occupied in the business or profession of homebuilding, through the regulation of the homebuilding industry. Section 21 of the Companies Act placed little emphasis on the housing consumer, while the HCPMA is explicit in its protection of housing consumers.

In August 1995 the NHBRC (Pty) Ltd established another company called the National Home Builders Registration Council Fund (Pty) Ltd. The main objective of this company was to establish an indemnity fund to promote the interests of home builders. This was done by making funds available to the National Home Builders Registration Council, on an ex gratia basis, to finance the rectification of defects in housing units where contractors were either unable or unwilling to.

On 26 March 1999, a statutory council was formed in accordance with the provisions of the HCPMA, as amended. The two former Section 21 companies were consequently dissolved and all their assets and liabilities transferred to the statutory council.

The NHBRC has delivered valuable services to the South African homebuilding industry since 1 December 1999.

The NHBRC Annual Performance Plan has been designed to ensure that appropriate action plans have been developed in order to convert strategy into real delivery.

The NHBRC welcomes the participation of the private sector and foreign investors in giving innovative projects the financial impetus they deserve. The NHBRC has developed the Eric Molobi Housing Innovation Hub, outside Soshanguve in Thorntree View, Gauteng Province using alternative building technology. This Hub was developed in cooperation with the NDHS, Tshwane Municipality, material suppliers and financial institutions. The development of a rural Housing Innovation Hub is currently underway, with design and delivery focused on meeting specific rural needs.

The key priority of the NDHS is to provide affordable and quality homes for all while using housing delivery to drive a job creation strategy for women, youth and the unemployed. In this way it aims to accelerate the delivery of quality homes, accentuate social cohesion and improve the quality of life for all.

The NHBRC will, together with the NDHS, accelerate service delivery and quality of homes, concentrating mainly on the subsidy and gap market. In line with the above strategy, the NHBRC's strategic objectives are centered on capacity building, better quality homes, job creation, empowerment of the historically disadvantaged, and integrated human settlements. These are achievable through better housing methods and the introduction of innovative technologies in housing. The development of architectural designs, predetermined castings, and clearly defined housing specifications has made homes more affordable. This

information is accessible, free of charge, to all home builders, Provincial Human Settlements Departments and Local Government Authorities. Housing is utilised as an instrument for the development of SHSs.

The NHBRC supports mixed housing developments, enhancing integrated communities with basic social amenities. In this regard, it identifies projects which could yield training opportunities for women, youth and the unemployed as part of the NDP. It further supports the clustering of projects and the engagement of more than one homebuilder in all government-subsidised housing units. Through mixed housing programmes, which include credit-linked and fully subsidised homes, homes become assets for wealth creation and empowerment for the poor.

MANDATE OF THE NATIONAL HOME BUILDERS REGISTRATION COUNCIL

The National Home Builders Registration Council is mandated by the Housing Consumers Protection Measures Act, 1998 (Act No. 95 of 1998) to regulate the homebuilding industry and protect housing consumers. The NHBRC ensures that it delivers on its mandate by delivering on its products and services, and the key performance indicators that are contained in the organisational scorecard. Below are the vision, mission, motto, strategy, strategic objectives and values that have been adopted by the Council.

VISION

To be the champion of the housing consumer

MISSION

To protect the housing consumers and to regulate the homebuilding environment.

MOTTO

Assuring Quality Homes

STRATEGY OF NHBRC

The strategy of the NHBRC is based on the following pillars:

To ensure that housing consumers and home builders are educated on their rights and obligations.
To entrench a culture of compliance through fair and efficient enforcement mechanisms.
To research and introduce innovative products, methods and technologies within the homebuilding industry.
To maintain a sustainable warranty fund.

VALUES OF NHBRC

The values of the Organisation are as follows:

VALUE	MEANING
Excellence and integrity	To be the best and deliver the best honestly.
Commitment and accessibility	To do work diligently and reach out to our stakeholders.
Transparency and accountability	To be fair and open in delivering our functions responsibly.

CORE BUSINESS OF NHBRC

- Registration and renewals of home builders
- Enrolment and Late Enrolment of homes in the non-subsidy sector
- Inspections of homes in the subsidy and non-subsidy sector
- Project enrolment of homes
- Enrolment of homes
- Consolidation of homes
- Geotechnical investigation and forensic investigation
- Resolution of complaints
- Conciliations of disputes between housing consumer and homebuilder
- Legal advisory and enforcement of norms and standards
- Training and Development for different categories

STRATEGIC OBJECTIVES OF THE NHBRC

The strategic objectives are aligned to the budget structure and are as follows:

Programme	Strategic Objectives
Administration and Governance	To improve cost effectiveness and internal efficiencies of operations
Regulation and Protection	To ensure effective regulatory compliance
Compliance and Enforcement	To entrench a culture of compliance and ensure efficient enforcement mechanisms
Research and Development	To research and introduce innovative products, methods and technologies within the homebuilding industry
Warranty Fund	To maintain a sustainable warranty fund

Issues that were raised by the Council to be factored into the strategy of the NHBRC:

The strategic issues were raised for the short-term goals, medium-term goals and the long-term goals. The issues are classified in the table below.

	Short-term Goals (2019/2020)	Medium-term Goals (2020/2021)	Long-term Goals (2021/2022)
	Conduct workshops with all provincial offices of the NHBRC and give feedback on what has been done based on previous questions from employees	Develop and apply a hybrid inspection model	Implement builder registration online
	Finalise and implement legislative review	Decentralise all key functions (Legal, Supply Chain Management and Communication)	Implement renewal of registration for 5 years as opposed to an annual basis
	Develop customer service strategy	Identify all houses that have not been enrolled/certified by the regulator	Develop 3-month defect liability
	Execute the mandate of NHBRC based on the HCPMA	Develop an organisational structure that is not top heavy	Develop a strategy that would protect funds from liabilities that must be covered by liquidated companies
	Induct all employees on the new bill	Conduct an actuarial evaluation analysis of a 10-year warranty cover and a 2-year roof leak cover to determine financial implications	Determine and quantify impact of non-enrolment of homes by the NHBRC in the sector
	Develop mitigation factors for all risks that were experienced by business	Continuously quantify financial losses suffered by the NHBRC on mixed-use buildings	Develop and upskill inspectors' capability and capacity
	Transfer Disciplinary Committee functions from Secretariat office to Legal, Compliance and Enforcement (LCE) division	Develop a monitoring tool on performance of a competent engineer	Establish relationship with universities on testing of material so that our personnel can be competent
	Apply and use magnetic cards for registration of home builders	Advocate innovative building technologies (IBT) use with Provincial Human Settlement Departments	Develop a tool to measure the impact of the NHBRC for stakeholders
	Ensure the total functioning of SAP system		
	Conduct consumer education and induction in the human settlement sector		
	Develop a monitoring function of inspectors which must be done remotely		
	Develop a tool that would issue risk alerts		

GOVERNANCE

Corporate governance embraces the principles of accountability, discipline, independence, responsibility, fairness and transparency. The role of the Council in this regard is to ensure that in the pursuit of its mandate the NHBRC consistently complies with all relevant governance requirements stemming from, amongst others,

the Protocol on Governance in the Public Sector, the King III Report as applied in the public sector, the HCPMA, PFMA and other relevant legislation.

The Council's focus on risk management is one of its organisational themes ensuring that governance systems and their effectiveness are given priority. Furthermore, to inculcate the culture of compliance to governance requirements, the Council has systematically cascaded some of the responsibilities to all committees, subcommittees (task teams), divisions and sections.

OBJECTS OF THE COUNCIL

The NHBRC has been given a specific mandate by Parliament through the enactment of the HCPMA, as amended. The broad mandate is outlined in the objects of the HCPMA.

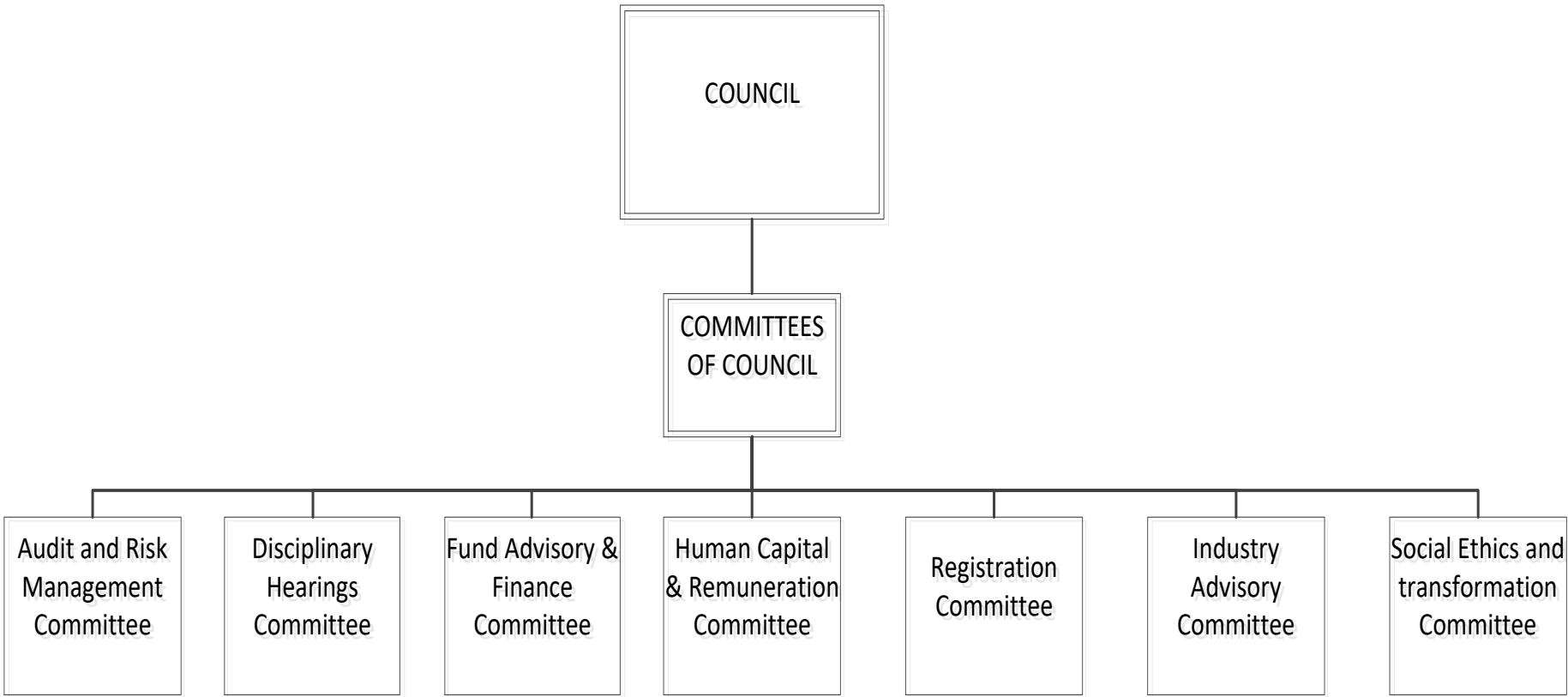
The objects of the Council in terms of Section 3 of the HCPMA shall be:

- To represent the interest of housing consumers by providing warranty protection against defined defects in new homes;
- To regulate the homebuilding industry;
- To provide protection to housing consumers in respect of the failure of home builders to comply with their obligations in terms of this Act;
- To establish and promote ethical and technical standards in the homebuilding industry;
- To improve structural quality in the interests of housing consumers and the homebuilding industry;
- To promote housing consumer rights and to provide housing consumer information;
- To communicate with and to assist home builders to register in terms of this Act;
- To assist home builders, through training and inspection, to achieve and to maintain satisfactory technical standards of homebuilding;
- To regulate insurers contemplated in section 23(9) (a); and
- In particular, to achieve the stated objects of this section in the subsidy housing sector.

The strategic objectives, as determined by the NHBRC, are mainly derived from the objects of the HCPMA as reflected above. Flowing from the strategic objectives are critical success factors, and the measures and programmes that support them.

GOVERNANCE STRUCTURE

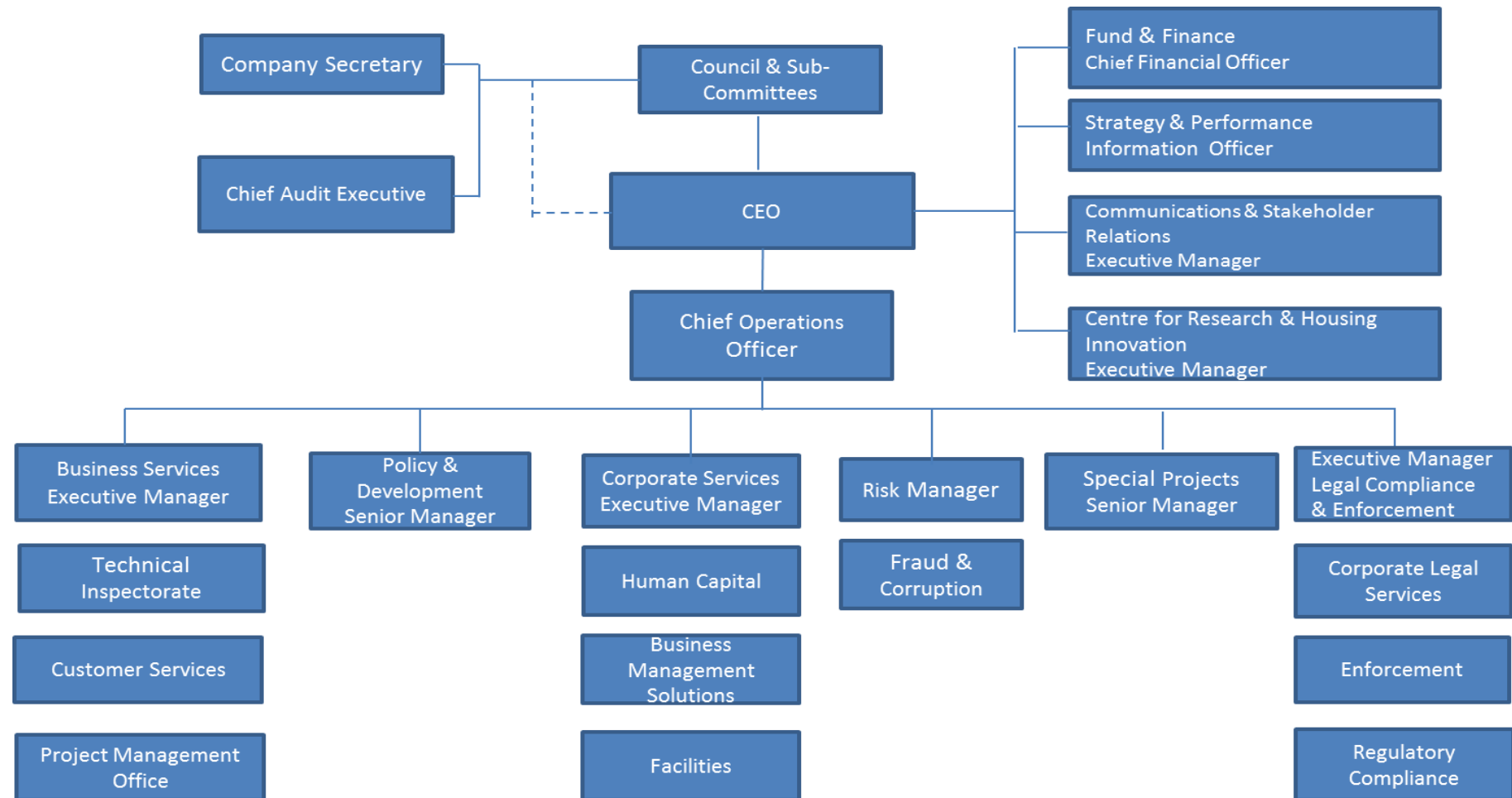
Figure 1. Governance structure



The Organisational Structure of the NHBRC

In order to meet its strategic objectives as described in the strategy map, the NHBRC has designed itself functionally as reflected in the figure below:

Figure 2. Organisational structure



REVISIONS TO LEGISLATION AND OTHER MANDATES

In the period covering the Strategic Corporate Plan 2019-2024, cognisance must be taken of the revisions that are contemplated and due for enactment in the legislative environment of the NHBRC.

Since the promulgation of the HCPMA, the NHBRC has been experiencing numerous challenges and weaknesses in the Act that were impeding its effective and efficient implementation.

In many respects, the HCPMA is seen not to be compliant with other legislation such as the Public Finance Management Act, 1999 (Act No. 1 of 1999), the Promotion of Access to Information Act, 2000 (Act No. 2 of 2000), the Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000), the Consumer Protection Act, 2008 (Act No. 68 of 2008) and the National Regulator for Compulsory Specification Act, 2008 (Act No. 5 of 2008).

The NHBRC is in the process of reviewing the HCPMA.

COMPOSITION OF THE COUNCIL

The Council shall consist of a minimum of seven (7) and a maximum of fifteen (15) members appointed by the Minister of Human Settlement, in terms of section 4 of the HCPMA. The Minister has appointed 14 members of the Council.

The composition of Council is as follows:

No.	Council members	Position
1	Mr. Enoch Godongwana	Chairperson of Council
2	Ms. Mampe Kotsi	Council member
3	Mr. Mziwonke Jacobs	Council member
4	Ms. Bongiwe Duba	Council member
5	Mr. Unathi Hoyana	Council member
6	Mr. Choeu Makabate	Council member
7	Mr. Roy Mnisi	Council member
8	Ms. Noluthando Molao	Council member
9	Mr. Roseberry Sonto	Council member
10	Ms. Nthabiseng Tsenase	Council member
11	Mr. Zenzele Myeza	Council member
12	Mr. David Mapikitla	Council member
13	Mr. Goolam Manack	Council member
14	Mr. Kumkani Siphamandla	Council member

Council is appointed for term: 1 August 2018 until 31 July 2021

THE POWERS OF THE COUNCIL

The Honourable Minister of Housing, through the HCPMA, as amended, confers the following powers on the Council.

The Council:

- Shall establish a Remuneration Committee to advise the Council on the remuneration of staff appointed in terms of Section 5, and shall review such remuneration regularly.
- Shall establish an Industry Advisory Committee, a Funds Advisory Committee, a Registration Committee and a Disciplinary Committee, and may establish any other committee that it considers appropriate for the functioning of the Council.
- May appoint the members of the abovementioned committees which may include members of the Council or outsiders, as the case may be.
- May prescribe the powers, composition, procedures and rules pertaining to such committees provided that the Minister shall prescribe the procedures of the Disciplinary Committee.

For the purpose of this document, 'outsiders' include:

- The Chair of the Disciplinary Committee who shall be legally qualified.
- Other persons with the expertise, experience or representative capacity necessary for the functioning of such committees.

The Council shall:

- Keep a register of home builders and register and deregister home builders in accordance with the criteria prescribed by the Minister.
- Enrol and inspect the categories of homes that may be prescribed by the Minister.
- Enter into agreements generally and specifically with provincial housing departments (PHDs), regarding services to be rendered in respect of projects for the construction of homes whose acquisition will be financed from the proceeds of a state-housing subsidy.
- Establish, maintain and administer a fund contemplated in Section 15(4) of the HCPMA, to provide assistance to housing consumers under circumstances where home builders fail to meet their obligations in terms of section 13 (2)(b) (i) and 13 (2) (b) (iii) of the Act.
- Assist in the resolution of disputes between registered home builders and housing consumers.
- Engage in communication to inform housing consumers of their rights under the HCPMA and other relevant matters.
- Provide information to financial institutions, conveyancers, PHDs and any other interested persons, in order to assist them to comply with their obligations in terms of the HCPMA.
- Establish grading categories and criteria in respect of home builders to promote good building practice.
- Determine the criteria to be applied in the grading system to categorise home builders according to differentiated enrolment fees.
- Investigate, at the request of the Minister, the integration of the register of home builders into a possible general register of builders and make recommendations to the Minister; and

- Advise the Minister on matters referred to it by the Minister, regarding the protection of housing consumers or the objectives of the HCPMA.

The Council may:

- Engage in undertakings to promote the improved structural quality of homes constructed in the Republic.
- Engage in undertakings to improve ethical and technical standards in the homebuilding industry.
- Establish, maintain and administer different funds for different purposes as contemplated in Section 15(5).
- Keep records of competent persons.
- Issue circulars to be complied with by registered home builders.
- Acquire, register, deal with or dispose of any trademark.
- Make recommendations to the Minister in respect of any amendment to this Act that it deems advisable.
- Generally, do all things necessary or expedient to achieve its objects and the objectives of the Act.

The Council's focus on risk management ensures that governance systems and their effectiveness are given priority. Furthermore, to inculcate the culture of compliance to governance requirement, the Council has systematically cascaded some of the responsibilities to its committees, subcommittees (task team), divisions and sections.

The objects of Council in terms of Section 3 of the Act are:

- To represent the interest of housing consumers by providing warranty protection against defined defects in new homes;
- To regulate the homebuilding industry;
- To provide protection to housing consumers in respect of the failure of home builders to comply with their obligations in terms of this Act;
- To establish and promote ethical and technical standards in the homebuilding industry;
- To improve structural quality in the interests of housing consumers and the homebuilding industry;
- To promote housing consumer rights and to provide housing consumer information;
- To communicate with and to assist home builders to register in terms of this Act;
- To assist home builders, through training and inspection, to achieve and to maintain satisfactory technical standards of homebuilding;
- To regulate insurers contemplated in section 23(9) (a); and
- In particular, to achieve the stated objects of this section in the subsidy housing sector.

The strategic objectives, as determined by the NHBRC, are mainly derived from the objects of the Act as reflected above. Flowing from the strategic objectives are critical success factors and the measures and programmes that supports them.

In order to ensure proper governance as prescribed in the Act, the Council has set up a number of committees. The committees of Council are as follows:

COMMITTEES OF THE COUNCIL

The Council has established the following seven (7) committees to ensure effective corporate governance:

- Fund Advisory and Finance Committee
- Registrations Committee
- Audit and Risk Management Committee
- Disciplinary Hearings Committee
- Human Capital and Remuneration Committee
- Industry Advisory Committee
- Social Ethics and Transformation Committee

1. Fund Advisory and Finance Committee

The Fund Advisory and Finance Committee are responsible for advising the Council on the prudent management of its funds. The committee makes recommendations to the Council regarding the setting of fees, procedures and policies for approval by the Council, as well as on all matters relating to the management of risk to the warranty fund, and the administration of its fund or any other Council fund. The committee regularly reviews the management financial reports before submission to Council for approval, recommends the budget for approval by Council and advises Council on all other financial matters.

The Committee is constituted by the following members:

Name	Position
Ms. Noluthando Molao	Chairperson and Council Member
Mr. Choeu Makabate	Council member
Mr. David Mapikitla	Council member
Mr. Goolam Manack	Council member
Ms. Mampe Kotsi	Council Member
Vacant Chartered Accountant member	Non-Council member

2. Registration Committee

The Registration Committee is responsible for advising the Council on all matters relating to the registration and renewal of registration, suspension and deregistration of home builders under the Act; monitoring the registration and deregistration of home builders, and also to recommends appropriate policies and procedures to Council for approval. The Committee also assesses owner-builder applications received under section 29 of the Act, and determines whether home builders qualify in terms of the Act for exemption from enrolment of their own homes.

The Committee is constituted by the following members:

Name	Position
Mr Mziwonke Jacobs	Chairperson and Council Member

Ms. Mampe Kotsi	Council Member
Mr. Roy Mnisi	Council Member
Mr. Roseberry Sonto	Council Member
Ms. Nthabiseng Tsenase	Council Member

3. Audit and Risk Management Committee

The Audit and Risk Management Committee is responsible for assisting the Council by reviewing the effectiveness of its systems of internal controls and risk management mitigation strategies; reviewing its financial policies and procedures; reviewing financial information reported to its stakeholders; and assessing the effectiveness of the internal and external audit functions. The committee also ensures the maintenance and monitoring of the risk management framework. The committee further reviews the risk register and assessment reports to ensure efficiency and effectiveness of the risk management strategy and plans.

The Committee is constituted by the following members:

Name	Position
Mr. Younus Amod	Chairperson and Independent Non-Council Member
Mr. Gilbert Miyeza	Council Member
Mr. Goolam Manack	Council Member
Mr. Kumkani Siphamandla	Council Member
Ms. Bongiwe Duba	Council Member
Vacant IT Specialist	Non-Council member
Mr. Younus Amod	Chairperson and Independent Non-Council Member

4. Disciplinary Hearings Committee (ad hoc sittings)

This committee is responsible for presiding over cases of alleged contraventions of the Act by home builders, and imposing disciplinary sanctions where home builders are found guilty of contravening the Act. The Committee is constituted by a panel of legally qualified chairpersons and technical assessors who are all independent non-council members appointed by Council for the term of office of Council.

During this financial year, Council established a panel of independent Chairpersons and Assessors with the required professional and technical expertise.

5. Human Capital and Remuneration Committee

The Human Capital and Remuneration Committee advise Council on employees' remuneration policies. This committee also maintains a corporate overview of the Council's human capital policies such as employee.

The Committee is constituted by the following members:

Name	Positions
Ms. Nthabiseng Tsenase	Chairperson and Council Member
Mr. Kumkani Siphamandla	Council member
Mr. Roy Mnisi	Council member
Mr. Roseberry Sonto	Council member

6. Industry Advisory Committee

The Industry Advisory Committee is responsible for giving advice to the Council on all matters relating to the operations of the home building industry, in addition to acting as a communication channel between the industry and the Council. Industry stakeholders are invitee members of this Committee.

The Committee is constituted by the following members:

Name	Positions
Mr. Choue Makabate	Chairperson and Council Member
Mr. Ntsikana Hoyana	Council member
Ms. Noluthando Molao	Council member
Mr. David Mapikitla	Council member

7. Social Ethics and Transformation Committee

The Social Ethics and Transformation Committee role is to Advocate for ethics throughout the NHBRC's operations by:

- Determining clearly articulated ethical standards (Code of Ethics) and ensure that the National Home Builders Registration Council takes measures to achieve adherence to these in all aspects of the business;
- Overseeing the review of material risks and liabilities relating to the provisions of the Code of Ethics and of the management of risks to ensure that such are part of the National Home Builders Registration Council's risk management programme;
- Obtaining independent assurance on the National Home Builders Registration Council's ethics performance on an annual basis; and
- Providing guidance on the review and approval of the National Home Builders Registration Council's Safety, Health and Environment policy and strategy.

The Committee is constituted by the following members:

Name	Position
Ms. Bongwiwe Duba	Chairperson and Council Member
Ms. Mziwonke Jacobs	Council member
Mr. Ntsikana Hoyana	Council Member
Mr. Gilbert Myeza	Council Member

CUSTOMER SERVICE CENTRES

To increase its visibility and service excellence to customers, the NHBRC established Customer Service Centres in all the provinces. Services provided range from registration of home builders, enrolment of new homes, inspection of homes, handling of complaints and conciliation of unresolved complaints.

Specific emphasis is on direct, one-on-one interaction and relationship building at all levels and in all provincial forums. The NHBRC's pay-off line 'assuring quality homes' became a living microcosm of the vision and mission of the NHBRC.

This customer-driven approach has already improved, and will continue to improve business efficiency and the quality of service to our customers in respect of the following:

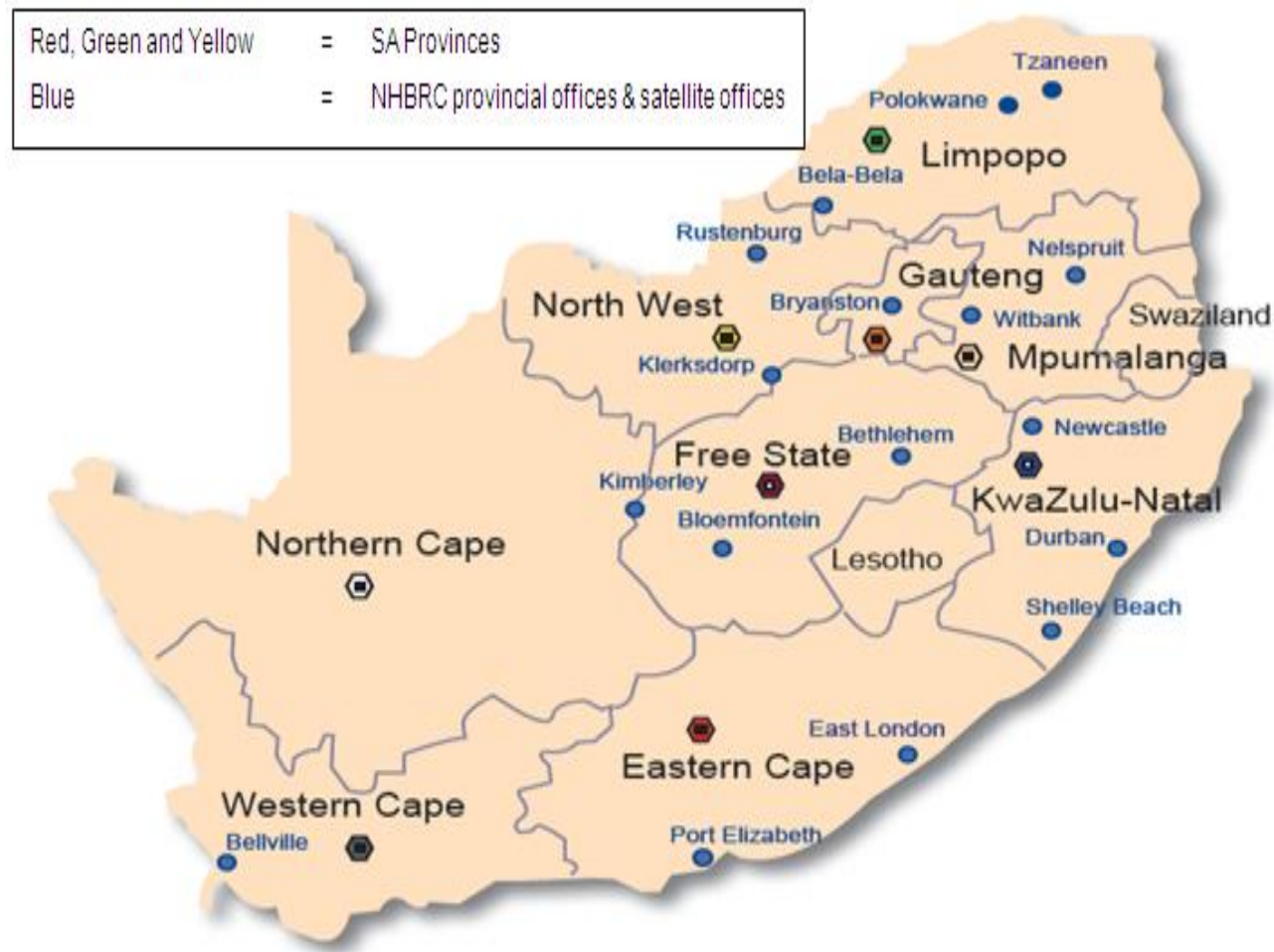
- Customer service
- Operational quality service
- Good corporate governance
- Quick responses to customer demands (turnaround times)
- Reduced time frames

Service points that complement Customer Service Centres have been established to improve accessibility.

CUSTOMER SERVICE CENTRE STRUCTURE

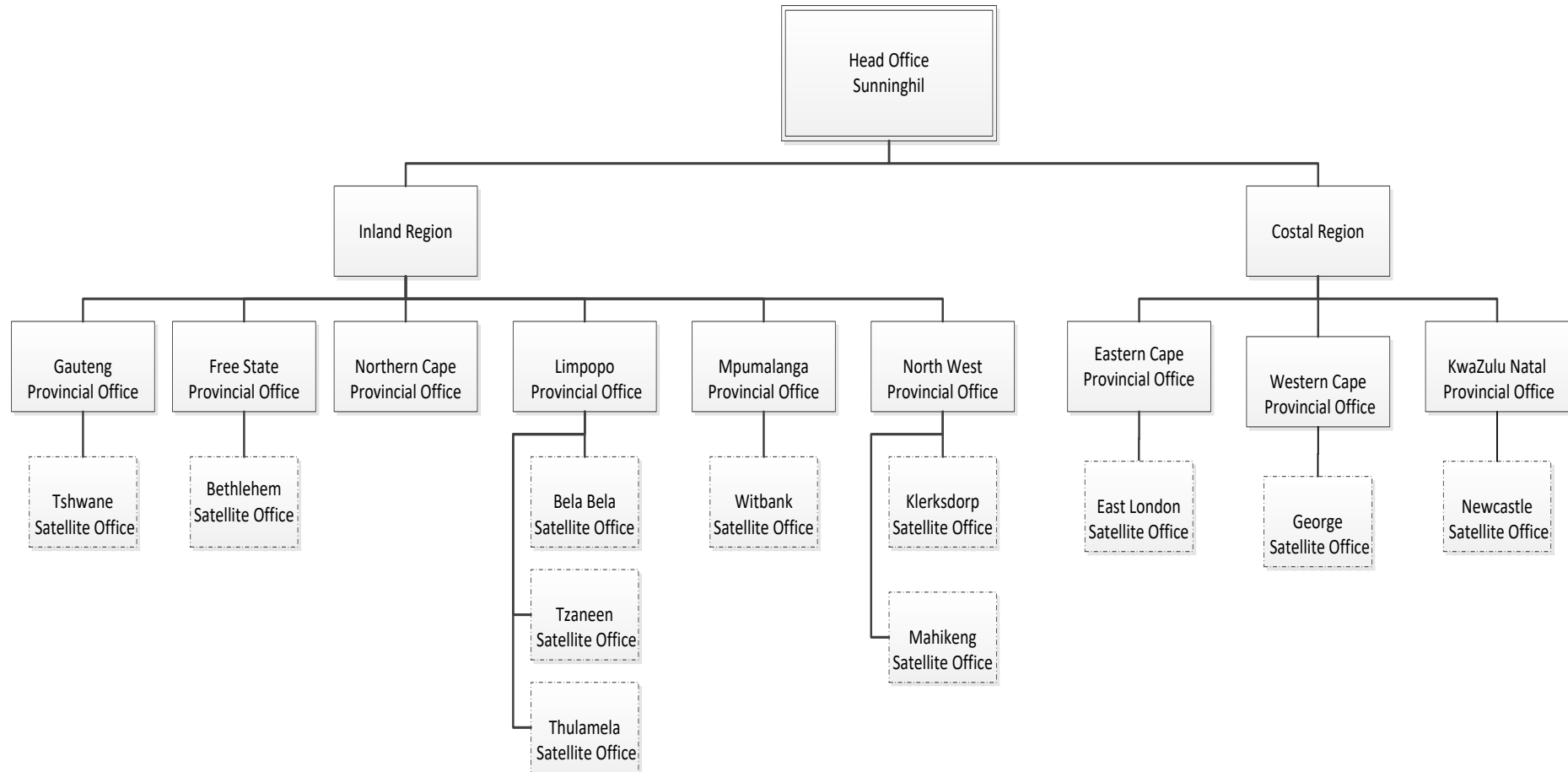
The map below reflects the areas where the NHBRC is represented.

Figure 3. Organisational footprint



REGIONAL AND PROVINCIAL OFFICES

Figure 4. Regional and Provincial Offices and the service points of the NHBRC



FINAL ANNUAL PERFORMANCE PLAN 2019/2020 – EXECUTIVE SUMMARY

The Annual Performance Plan 2019/2020 is a statutory document that must be submitted to the Executive Authority within a stipulated time frame as dictated by the National Treasury guidelines.

The time frames are stipulated below:

2019/2020	Submission Dates
First Draft Annual Performance Plan 2019/2020	15 July
Second Draft Annual Performance Plan 2019/2020	15 October
Final Annual Performance Plan 2019/2020	30 January

The Annual Performance Plan 2019/2020 is based on the Strategic Corporate Plan 2019-2024. This APP is based on planned targets and scorecard projections for the current period within the context of the NHBRC mandate as defined in the HCPMA.

This Annual performance Plan 2019/2020 has undergone a process of Strategic planning workshops with the Executive Committee, Management Committee, National Department of Human Settlements and Council.

The process of developing the APP has taken into consideration the Government priorities and programmes, National Development Plan, Budget Vote Speech and State of the National Address by the President.

The primary mandate of the NHBRC as defined in the HCPMA is to:

1. protect housing consumers by establishing, implementing and regulating quality standards in the homebuilding industry,
2. establish a warranty fund and provide assistance to housing consumers under circumstances where home builders fail to meet their obligations,
3. build the capacity of home builders and housing consumers with specific emphasis on historically disadvantaged individuals,
4. represent the interests of housing consumers by providing warranty protection against defects in new homes,
5. regulate the homebuilding industry,
6. provide protection to housing consumers in respect of the failure of home builders to comply with their obligations in terms of the Act,
7. establish and promote ethical and technical standards in the homebuilding industry,
8. improve structural quality in the interest of housing consumers and the homebuilding industry,
9. promote housing consumer rights,
10. provide housing consumer information,
11. communicate with and assist home builders to register in terms of the HCPMA, and
12. assist home builders through training and inspections.

The final APP 2019/2020 is also based on the need to accentuate the NHBRC's role as a regulator in the homebuilding industry and for the Human Settlement Ministerial directives in particular. Furthermore, it aims to make clear the need to enrol all applications and/or requests of government-subsidised projects, as well as the deregistration, reinstatement and registration of home builders in all provinces and municipalities.

The role of the LCE division is being strengthened by the suspension and deregistration of home builders done in the previous year with the aim of ensuring that norms and standards in the homebuilding industry are adhered to. LCE will also ensure that 80% of prosecutable matters are set down for hearing before the Disciplinary Committee within 120 working days from suspension or from date of receipt of instruction and they will also ensure that 100% of instructions are issued to attorneys to apply for an interdict where there are prospects of success.

The purpose of the LCE division is to entrench a culture of compliance with the applicable legislation and regulatory framework, to ensure effective enforcement processes and to provide prudent and cutting-edge legal advisory services. The division will consist of the following three sections:

Corporate Legal Services

The purpose of the Corporate Legal Services section is to provide litigation management which consists of general litigation, interdicts against defaulting home builders, contingent liability and recoveries, contract management and legal advisory services.

Enforcement

The purpose of the Enforcement section is: to ensure that suspension and disciplinary actions are effected against home builders who fail to comply with specific provisions of the HCPMA, including the Code of Conduct for home builders, that the investigation of matters as per the Act are undertaken, that criminal cases are lodged with the South African Police Service, and that training on the relevant legislative framework is provided to both internal and external stakeholders.

Compliance

The Compliance section's role is to ensure the implementation of the approved 2019/2020 Regulatory Compliance Plan covering, inter alia, a regulatory compliance universe; the Compliance Risk Management Plans of core, high, topical and secondary risks, the monitoring of compliance; and reporting and training/awareness.

These sections are set to strengthen the enforcement mandate of the NHBRC to ensure that all home builders comply with the statutory mandate.

The NHBRC has realised the need to strengthen the inspection mandate by increasing inspection staff to an average of 200 inspectors and to ensure maximum representation in all the nine provinces of South Africa. As a

result, the NHBRC is embarking on a process of using a hybrid model of inspections. This process will include using resident inspectors and outsourced inspectors. Its technical section has been combined with its inspectorate section to reduce the span of control and ensure maximum delivery in order to offer maximum protection to stakeholders. The purpose of the inspectorate section is to ensure the protection of the NHBRC's warranty fund through effective inspection audits and to ensure that all enrolled homes are fit for purpose. There is also a need to proactively identify homes with potential structural defects and to offer remedial solutions that will benefit the housing consumer.

The role of the Project Management Office (PMO) is enhanced within the Business Services division and is being used to identify constraints towards the sustainable implementation of projects and also to develop common understanding between the professionals in the value chain and the management of projects.

Policies, procedures and process maps have been developed for the division, and are being used to guide operations in carrying out the division's mandate. One of the challenges facing the PMO unit is dealing with cases where construction takes place outside the areas where geotechnical investigations have been conducted in accordance with changes in social priorities.

The functions of the technical sections are being enhanced by ensuring that engineers are placed at the provincial human settlements departments and municipalities to assist the NHBRC in facilitating the geotechnical assessment in fast-tracking the enrolment of homes.

In order to execute its mandate effectively and efficiently and promote intergovernmental relations, the NHBRC has established relationships with stakeholders such as the Council for Geoscience, SAPOA, SABS and Agrément SA. Together with the CSIR, the NHBRC will be implementing recommendations for Alternative Building Technologies (ABT) and Innovative Building Technologies (IBT). The aim is to use technology in order to reduce the backlog in delivering SHSs to the majority of South Africans who live without shelter.

The economic pressures that inhibit growth in the non-subsidy sector are a main contributor to stagnation in the homebuilding industry. Much activity is projected in the non-subsidy sector and the gap market as a result of government intervention in this regard. Economic data shows that approximately 41% of housing demand is in the R0-R500,000 range and approximately 28% of housing demand is in the R500,000 – R1 million range.

The NHBRC's performance in all its Valuable Final Products (VFPs) peaked in the period 2006/07 and 2007/08 due to the boom in the homebuilding industry. Projections in the period going forward indicate slight growth based primarily on the non-subsidy sector. Whilst the quantity of projected houses to be built show a slight increase, revenues continue to be strained due to the lower value of houses to be built, and the regulated enrolments and registration tariffs prescribed by the HCPMA .

Against this backdrop, the Annual Performance Plan 2019/2020 puts an emphasis on ensuring that all houses, including rural, People Housing Processes and gap market houses, are enrolled, inspected and certified by the NHBRC, and that the building of housing projects by the provinces and municipalities meet the required geotechnical requirements and homebuilding standards. The plan also aims at ensuring that all home builders are registered and that their capacity to build quality homes is enhanced through training and technical advice. Punitive action, through the NHBRC's enhanced LCE division, will be taken against home builders that do not meet national standards. The PMO has been established to track and assist with troubleshooting to ensure that NHBRC projects are completed in time and within budgeted costs.

The budget assumptions are, therefore, predicated on the above factors as well as on the fact that there is a projected recovery in the residential homes market in the range of R250,000 – R500,000. In spite of consistencies in interest rates, borrowing is negatively impacted by high levels of indebtedness and the National Credit Act, 2005 (Act No. 34 of 2005). Late enrolments are budgeted at 5% of total enrolments and the subsidy market assumptions are based on the housing delivery plan of the NDHS.

The NHBRC will be processing late enrolments in the subsidy sector through forensic and geotechnical investigation.

The number of staff is based on achieving the optimal level of performance required to meet the NHBRC's challenges and its mandate. The number of inspectors required is predicated on the empirical evidence of the NDHS's historical performance of their peak periods of housing delivery.

The NHBRC is a member of the International Housing Association (IHA) and the International Home and Housing Warranty Association (IHHWA), which aims to provide a global forum for networking, information sharing, and discussing common issues and concerns related specifically to housing and the homebuilding sector. The IHA brings together organisations from across the world that are interested in the homebuilding industry providing a forum for them to establish contact, build relationships and exchange policy information on the built environment.

The NDHS has established a Project Management Unit (PMU) which is aimed at providing technical support for provincial human settlement departments and entities. The NHBRC's Project Management Office works closely with the NDHS's PMU. The PMO will continue to assist with conducting assessments on houses for their rectification. It should be noted that municipalities are being accredited and they will offer the same services as the Provincial Human Settlements Departments. Once they are accredited to carry out these functions the NHBRC should be able to communicate and work directly with them.

PART A – STRATEGIC OVERVIEW

1. Updated Situational Analysis

The Strategic Corporate Plan 2019-2024 takes into consideration the important factors of South Africa's current socio-political and economic environment and the human settlements environment in particular. Consideration of the degree to which the Annual Performance Plan can achieve its stated objectives must be informed by these imperatives.

The NHBRC performance delivery environment

The socio-political imperatives

The South African government is implementing the National Developmental Plan in its endeavour to deliver on the goals that were set to be achieved.

The NHBRC has to align its deliverables to Outcome 8 of the National Development Plan. Outcome 8 deals with SHSs and the improved quality of human settlements, and covers the upgrade of human settlements, delivery of affordable rental units, land acquisition and improved property management. The NHBRC does that by ensuring compliance to national norms, standards and quality within the homebuilding sector. These standards are implemented across the industry.

The NHBRC also assists the public and private sectors in improving programme and project management through training and transfer of skills. The establishment of the project management office exists to ensure that all projects are delivered using the project management principles and will be working in line with the NDHS' project management unit. The NHBRC also contributes and assists the NDHS in the improvement of governance and performance in the sector. The entity does that by ensuring that all the timelines in submitting the statutory required reports are adhered to once all the necessary approvals are followed.

The National Development Plan 2030 points out that since 1994 more than 4,2 million subsidised housing units have been built for the poor and access to basic services has expanded. The NHBRC has projected to enrol 268,454 homes in the subsidy sector for the period 2019-2024, which translates to those homes qualifying for a warranty scheme. This is to ensure that homes become an asset to owners and that they can be fit to live in over a longer period of time.

The National Planning Commission Diagnostic report showed that differential migration patterns largely affect national patterns of job creation and job losses. Although rural-urban migration is significant, about 78% of migration from rural areas and small towns was to other rural areas and small towns. Consequently, while the growth of large urban centres needs to be managed, planning must also respond to changing patterns of

population distribution in rural areas. Informal settlements present a particular challenge: most job-seeking migrants moving to cities first live in informal settlements, which are an affordable entry to the city. Many migrants cannot break into the urban labour market and find it difficult to move out of shacks into more formal accommodation.

The NHBRC has to ensure that it emphasises the issue of compliance with the procedural manual and close on all the grey areas and solicit information from the municipalities, departments and provincial human settlements departments to ensure that the guidelines are simplified according to the National Building Regulations.

Noting the disparities that are occasioned by the legacy of apartheid's spatial patterns, the report suggests that the provision of housing and basic services must adopt a new approach. Amongst others, the report suggests that the capital subsidy scheme and the Breaking New Ground (BNG) emphasis on affordable inner city housing as part of a broader housing-renewal strategy requires renewed efforts to ensure that national, provincial and local government work together in reshaping the built environment to achieve smarter and fairer development. Also, the report proposes that spatial planning must consider the principle of spatial quality where the aesthetic and functional features of housing and the built environment need to be improved to create liveable, vibrant and valued places.

The aforesaid challenges faced by institutions operating in the human settlement environment have specific reference to, and implications for, the contribution of the NHBRC in the human settlement discourse. This means that the institutions' regulatory framework and the setting of norms and standards must take into consideration the constraints posed by these socio-political imperatives. The NHBRC requires retooling in order to remain relevant with its geotechnical engineering capacities, its leadership in the setting of building standards and norms, innovation in new housing technologies – especially greening solutions – and meeting the challenges of the ever-growing levels of city and rural densification population patterns. To remain relevant in this discourse, the NHBRC requires strategies and tactics that will bring it closer to the implementing institutions by enhancing its stakeholder relationships and building strong and strategic partnerships that add value to the human settlement challenges that are faced by provincial and local governments. Increasingly, the role of the NHBRC as a regulator and housing-consumer protector has to be preceded by better communication and joint action.

Financial perspective

The Financial perspective deals with all financial measures that impact on the NHBRC. The strategic objective "To maintain a sustainable warranty fund" is fundamental to the long term sustainability of the entity.

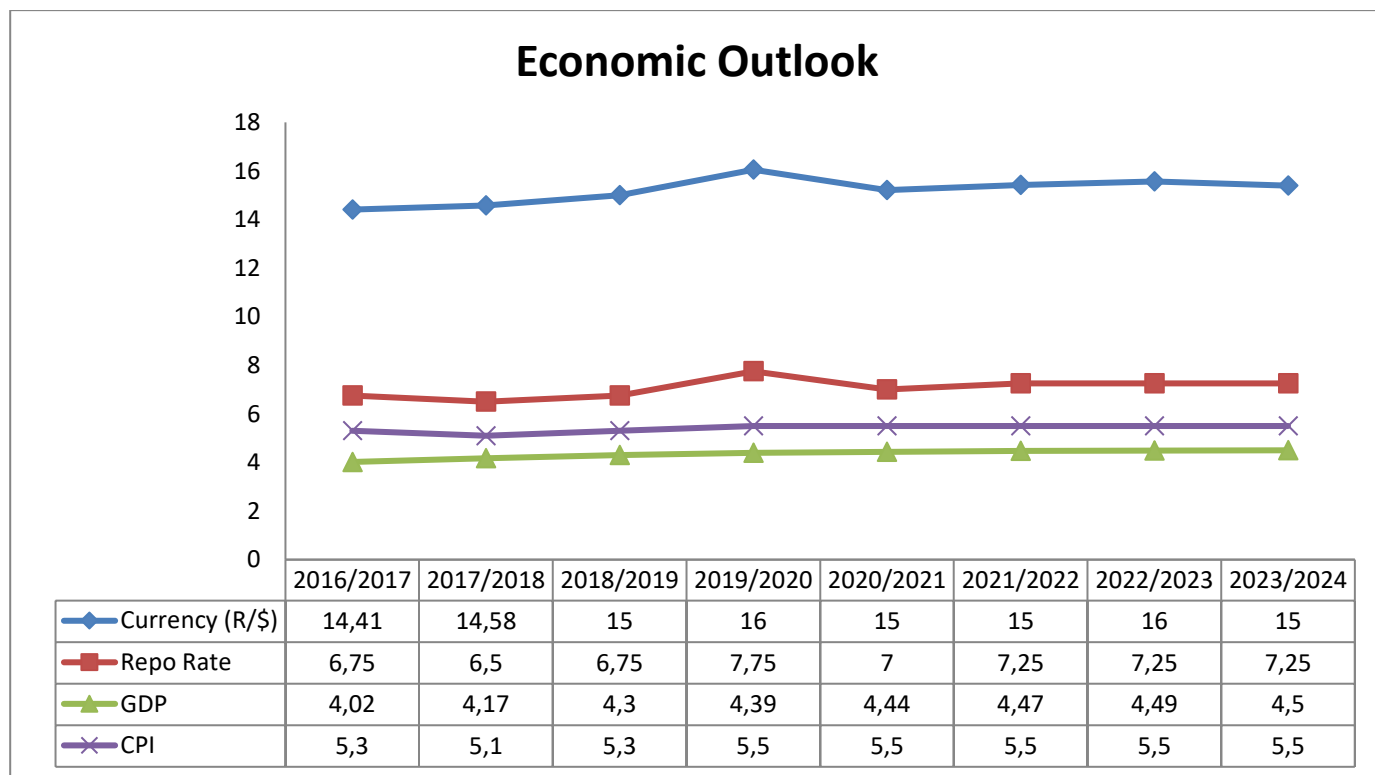
The South African economy has been under pressure since 2017/2018 financial year, showing very little growth, and the likelihood of this improving much in the year ahead are very slim. The macro economics are not looking very good, with a very high government debt continuing to grow and revenue stagnant or decreasing. It was during the same period that rating agency Standard and Poor's downgraded South Africa's foreign currency credit rating

to sub-investment grade, while its counterpart, Fitch Rating followed by downgrading South Africa's local and foreign currency credit rating to sub-investment grade.

The interest rates over the past few years have been low which has been able to sustain the property market at a steady pace. The low interest rates have had a positive effect on the NHBRC's enrolment growth

The performance of the NHBRC in the non-subsidy sector is affected by a myriad of factors. Some of the factors that affect the performance are the exchange rate, repo rate, Gross Domestic Product (GDP) and Consumer Price Inflation (CPI).

Figure 5. Economic Outlook



The chart above indicates that as the repo rate increases that move will see commercial banks raise their prime rate which may cause less building activity within the higher brackets of more than R500,000.

It is worthy to note that the interest rate, the resident's income and GDP growth are the main factors which influence house prices where NHBRC derives its enrolment fees. There is a direct correlation between the consumers' appetite to obtain loans or mortgages and lower bank interest rates: with reduced loan costs, consumers are more inclined to purchase property, and this increases the demand for housing.

National Treasury Economic Outlook

The outlook for the world economy has deteriorated in recent months. The moderate recovery in advanced economies remains uneven, and developing economies have been experiencing broad downward revisions to growth. South Africa's GDP growth forecast for 2018 has been revised down to 0.9% from an estimated 1.7% at the time of the Medium Term Budget Policy Statement (MTBPS).

The weaker outlook is the result of lower commodity prices, higher borrowing costs, diminished business and consumer confidence, and drought. Although GDP growth is forecast to remain subdued in 2016 and 2017, improved global conditions and rising confidence are expected to result in a moderate improvement in economic growth by 2018.

Property Sector Outlook

The NHBRC is reliant on the activities that take place in the construction industry market. Household finances will remain under pressure, consumer confidence and factors impacting the market for new and existing housing will also experience challenges, which will show up in the demand and supply of new housing.

According to the ABSA property index, the residential property market showed a relatively muted performance during 2017. This was largely based on:

- Depressed economic growth, consumer financial strain and low consumer confidence;
- Nominal price growth of around 3.7% year-on-year up to November, with prices deflating in real terms after adjustment for the effect of inflation;
- Household mortgage balances growth of 3.3% year-on-year up to October;
- Properties listed on the market for about 15 weeks in Q1 to Q3 before being sold;
- 92% of properties sold below asking price in quarter 1 to quarter 3;
- Average drop of 8% in asking prices in quarter 1 to quarter 3;
- Number of building plans approved for new housing dropped by 0.3% year-on-year in January to September;
- Number of new housing units built down by 2.4% year-on-year between January and September; and
- Building confidence on a declining trend in quarter 1 to quarter 3.

Whilst the economy is out of recession and slightly higher growth is expected in 2018/19, the property market will continue to be affected by the following prospects;

- Economic growth to show moderate rise, but to remain relatively low at 1.1%;
- Consumers will face continued financial strain, which will impact on confidence and the ability to take up credit;
- Nominal property price growth of 3%-3.5% expected, with further real price deflation on the back of a projected inflation rate of 5.2%;

- Fluctuation in interest rates and stability of the currency;
- Mortgage balances growth to remain low between 3% and 3.5%;
- Other market indicators such as period of properties listed before being sold, percentage selling below asking price, percentage drop in asking prices, building activity, building confidence and general property market sentiment are expected to remain under pressure and be much in line with trends in 2017; and
- Housing and mortgage finance affordability will remain key factors, which may be reflected in demand and supply, buying patterns and transaction volumes.

The impact of the NHBRC financial perspective

Data on residential building activity released by Statistics South Africa up to April 2018 indicate that the planning and construction phases of the housing sector remain depressed against the background of tough economic conditions.

The National Home Builders Registration Council (NHBRC) must remain sustainable in order to ensure that it continues to carry out its statutory duties as stipulated in the Housing Consumers Protection Measures Act, 1998 (Act No.95 of 1998). Of particular relevance to the NHBRC is the slow growth in the building of new houses. This has a direct relationship with the extent to which the NHBRC can project its revenues to remain a sustainable regulator of the housing industry.

The above outlook on the property sector has resulted in the revision of the projected revenues. The revenue for 2019/20 has been adjusted down compared to our projections in the previous years due to a downward revision in planning assumptions. This downward revision considered economic and confidence factors affecting home owners and prospective home buyers during times of rising inflation, high debt to income ratios and poor credit risk.

Non-Subsidy Sector outlook

Growth in mortgage advances is forecast to remain in the single digits in the rest of 2017/2018, set to be impacted by economic trends, household finances and consumer confidence which will affect the property market. The economic performance for 2019/2020 will be directed by the national election outcome scheduled for 2019.

Future demand for and supply of new homes will be driven by developments with regard to the economy in general, but specifically by trends in respect of:

- Growth in real gross domestic product which will impact levels of employment in the economy;
- Average consumer price inflation affecting disposable income and therefore spending power;
- Interest rate stability in 2018/19 going forward;
- Currency stability, and fuel and oil price fluctuations;
- Effects of actual, and potential downgrades on the sovereign credit rating;

- Household debt management;
- Consumer risk profiles; and
- The affordability of property and the accessibility of mortgage finance for households.

Subsidy Sector outlook

Within the subsidy market, growth is subdued due to budget constraints within Government due to declining revenue collections and the introduction of other priorities like free higher education. At the same time demand for subsidy housing continues resulting in the increase in the existing housing backlog. Delivery in previous years housing opportunities has been less than optimal. It is anticipated that some level of recovery may realise in the year 2018/19, however the time lag of such recovery may only realise in the 2019/20 financial year.

The NHBRC management has introduced the supply chain management demand plan to ensure that projects undertaken are fully assessed and offer return on investment. The following are some of the key projects that will be undertaken by the NHBRC in the upcoming financial year:

- Digital service
- Video Conferencing
- Resident Inspectorate model
- Electronic filing system
- Electronic security system

The continuous process of housing consumer education, marketing and branding of the NHBRC has been ongoing to ensure that housing consumers are informed of their obligations and rights. The NHBRC Council approved a three year integrated marketing, communications and stakeholder relations strategy which informs the implementation based on the following key objectives:

- Awareness of NHBRC positioning, mandate, services, values, benefits to create relevance.
- Education about property related transactions in order to produce property-savvy consumers.
- Promote access using digital media and mobile offices in order to improve service delivery and interaction with all stakeholders.
- Relationship building in order to develop win-win relations with all key stakeholders internally and externally.

There are two mobile office units that were activated as part of ensuring that the NHBRC improve its visibility and accessibility, and to ensure the organisation reach far flung rural areas where it is difficult for stakeholders to reach our offices. The mobile units' aim was to assist and educate housing consumers on the warranty scheme, the complaint process, renewals, new registration and enrolments

In the 2019/2020 budget, the reserve fund for training of youth, woman, artisans, home inspectors, artisans, military veterans and people with disabilities is budgeted at by R15 million. Notwithstanding these increases the total increase in operating and fixed costs has increased in line with inflation by 4.5% for the 2019/2020 budget. The net budgeted surplus for 2019/2020 is projected at R522 million.

Operating Expenditure

Given the economic problem of scarcity, it is imperative that resources be applied effectively and efficiently to achieve economic and social objectives. The global economic crises have resulted in the contraction of the South African economy and in this regard the NHBRC has adopted measures to ensure fiscal prudence. Since the publication by National Treasury of Instruction Note 1 of 2013/14 on cost containment measures, the NHBRC has reviewed its operating costs structure, with a view to containing its operating costs. With the high cost to income ratio Council has implored management to continue to implement cost containment measures by reviewing the cost mix to ensure long term sustainability. The cost escalation has been contained at less than CPI, whilst ensuring efficiency in operations and financial sustainability. This will enable the NHBRC to continue delivering on its mandate in the 2019/20 financial year. Concern; however, remains on some of the expenditure items which have been identified as being excessive, with a view of curtailing them or even reducing them in the outer years.

In the 2019/20 financial year, the NHBRC will leverage on its Information Technology platform to modify costs in response to changing conditions using more automation, increased user self-service and much-improved management of information to help identify and address the causes of inefficiency.

The identified skills gaps for the different divisions are captured below:

Table 1. Skills required for the Centre For Research and Housing Innovation

	Skills Needed	Current Skills in Place	Professional Qualifications	Skills Required
1	Engineering	Engineering	Registered engineer	Engineering
2	Architectural	Architectural	Registered architect	Architectural
3	Construction economics	None	Registered construction economist	Construction economics
4	Geographic Information Systems	Geographic Information Systems	GIS specialist	Geographic Information Systems
5	Social Sciences	None	Social scientist specialist	Social Sciences

Table 2. Skills required for Legal, Compliance and Enforcement division

	Skills Needed	Current Skills in Place	Professional Qualification	Skills Required
1	Analytical and logical reasoning	Legal Advisory	LLB/ Attorney / Advocate	Legal Advisory
2	Interpersonal skills	Prosecution/ Disciplinary Hearings	LLB/ Prosecutor/ Attorney/ Advocate	Prosecution/ Disciplinary Hearings
3	Communication skills and Attention to detail	Regulatory Compliance	LLB/ Compliance Officer	Regulatory Compliance
4	Decision making and Problem solving/ conflict management	Contract Management	LLB/ Attorney / Advocate	Contract Management
5	Negotiation skills	Litigation Management	LLB/ Attorney / Advocate	Litigation Management
6	Report writing / presentation skills	Investigations	LLB/ Criminal Investigator	Investigations

		None	LLB/ Attorney / Advocate	Legislative Drafting
--	--	------	--------------------------	----------------------

Table 3. Skills required for the Finance division

	Skills Needed	Current Skills in Place	Skills Required
1	SCM skills	Acquisition management	Logistics management
		Demand management	Compliance management
2	Internet management skills	Financial reports and accounting	Investment management Cash management and liquidity management

Table 4. Skills required for the Business Services division

	Skills Needed	Current Skills in Place	Professional Qualifications	Skills Required
1	Construction management	Construction management	Registered construction management officer	Construction management
2	Quantity surveying	Quantity surveying	Registered quantity surveyor	Quantity surveying
3	All fields of engineering	Civil, structural and Geotechnical Engineering	Registered civil, structural, geotechnical engineers	Geotechnical Engineering
4	Conflict/dispute resolution	Complaints management	Registered complaints management officer	Conflict/dispute management
5	Customer relationship management	Complaints management	Registered customer relationship management officer	Customer Relationship Officer

Table 5. Overview of 2019/2020 and MTEF (Medium Term Expenditure Framework) estimates

Expenditure Estimates	Audited Outcomes			Budget	Medium term expenditure estimates			
	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
	Actual	Actual	Actual	Budget	Budget	Budget	Budget	Budget
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Program 1: Administration								
% maintenance of Network availability	15 000	17 000	21 000	21 500	22 000	22 500	22 500	22 500
% maintenance of SAP system availability	71 000	6 000	6 000	6 000	-	-	-	-
% Implementation of Human Capital Plan	-	-	-	-	-	-	-	-
% Implementation of Facilities Management Plan	13 902	13 538	12 132	17 664	18 900	19 845	20 936	22 087
% Implementation of Policy Maintenance Plan	-	-	-	-	-	-	-	-
Operating Surplus > Budget	250 302	488 293	612 430	423 064	581 533	599 293	630 610	668 187
BEE Spend	214 592	226 395	238 846	251 982	265 842	280 462	295 888	312 162
Suppliers paid within 30 days	43 173	76 205	207 700	228 470	251 317	256 343	269 160	274 543
Program 2 : Regulation								
Number of home builders to be registered	6,081	4,918	3,123	2,314	2,117	2,233	2,365	2,486
Number of home builders to renew their registrations.lr registration	5,638	8,216	9,923	9,699	6,628	6,993	7,378	7,783
Number of homes to be inspected in the non-subsidy sector	145 937	154 297	165 319	189 312	193 312	203 944	215 161	226 995
Number of homes to be inspected in the subsidy sector	145 937	154 297	165 319	189 312	193 312	203 944	215 161	226 995
% of prosecutable matters suspended within 10 working days of receipt of instruction by Paralegal	2 654	4 681	3 810	5 691	5 975	6 274	6 619	6 983
% of prosecutable matters set down for hearing before the DC within 120 working days from date of suspension OR from date of receipt of instruction	2 654	4 681	3 810	5 691	5 975	6 274	6 619	6 983

Expenditure Estimates	Audited Outcomes			Budget	Medium term expenditure estimates			
	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
	Actual	Actual	Actual	Budget	Budget	Budget	Budget	Budget
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Conduct a study on the impact of NHBRC builders training within the home built environment	-	-		-	-	-	-	-
% completion of a design, construction and evaluation of a Green Edge Rated IBT house	-	-	-	-	-	-	-	-
Number of home builders to be trained	2 463	1 200	1 200	1 250	1 300	1 500	1 750	1 900
Number of Youth to be trained	2 000	2 000	2 000	2 200	2 420	2 662	2 300	2 380
Number of Women to be trained	179	900	900	990	1 089	1 197	1 200	1 250
Number of Military Veterans to be trained	101	180	200	220	242	266	280	300
Number of people with disabilities to be trained	144	1 300	1 385	1 523	1 675	1 842	2 026	2 127
Number of Technical professional to be trained	310	400	400	440	484	532	595	615
Number of Artisans to be trained	256	351	400	440	484	532	585	600
Programme 3: Protection								
Number of homes to be enrolled in the subsidy sector	156,913	190,076	132,486	244,870	175,278	184,919	195,089	205,819
Number of home enrolments Non-Subsidy	548,866	596,753	655,563	546,818	680,610	718,043	757,536	799,200
% implementation of Communication Plan	1 500	1 601	1 710	2 000	2 340	2 400	2 410	3 000

RELATED EXPENDITURE TRENDS TO OUTCOME-ORIENTED GOALS

STRATEGIC OUTCOME-ORIENTED GOALS OF THE NHBRC

The NHBRC's strategic outcome-oriented goals will be linked to the budget structure that has been adopted for official use.

Table 6. Budget structure (all programmes)

Programme 1	Administration
Strategic outcome-oriented goal 1	Well-administered organisation that has governance in place.
Goal statement	By the end of 2023/2024 the NHBRC will have improved its supply chain management process. The audit process of the organisation is done in line with the practice of the day. By the end of 2023/2024 the NHBRC will have improved its staff complement so that they excel in discharging their services.
Cost of the programme	R158, 219 687

Programme 2	Regulation
Strategic outcome-oriented goal 2	Improved structural quality: a well-functioning regulatory body that ensures that industry adheres to the norms and standards.
Goal statement	By the end of 2023/2024 the NHBRC shall ensure that all the home builders who engage in the activities of homebuilding are registered. The home builders who do not adhere to the norms and standards shall be suspended and deregistered from practising in the sector. The NHBRC shall train home builders and youth in construction-related programmes so that they continue to uphold the norms and standards in the construction sector.
Cost of the programme	R583, 571 374

Programme 3	Protection
Strategic outcome-oriented goal 3	Improved regulation and compliance.
Goal statement	By the end of 2023/2024 the NHBRC shall ensure that all homes built in the country are enrolled with the regulator. The NHBRC shall continue to issue the enrolment certificates for both the subsidy and the non-subsidy sector.
Cost of the programme	(R229,561,433)

PART B - PROGRAMME PLANS

The structure of the NHBRC shall consist of the following divisions and sections which will contribute to the different balanced scorecard perspectives, which are:

- Finance and Fund division
- Corporate Services division
- Information Technology Section
- Human Resource Section
- Regulatory and Compliance division
- Customer Service division
- Risk and Audit Section
- Strategy and Performance Information Management Section
- Corporate Communications and Marketing Section.

Valuable Final Products (VFP)

The VFPs are divided into three programmes which support the budget structure. The details of each programme are as follows:

Programme 1: Administration

- Governance and leadership
- Well-functioning Organisation
- Efficient IT System
- Satisfied and skilled staff compliment (Human Resources); and
- Internal control (SCM, Finance and Audit).

Programme 2: Regulation

- Home builders registered with the NHBRC
- Home builders reinstated
- Compliance of home builders to set norms and standards
- Enforcement of home builders to set norms and standards
- Trained home builders

Programme 3: Consumer Protection, subdivided into 2 sub-programmes, which are:

Sub-programme 1: Subsidy Sector

- Project enrolment
- Enrolment of homes
- Issuing of warranty certificates

- Stakeholder engagement
- Sustained warranty fund

Sub-programme 2: Non-Subsidy sector

- Enrolment of homes
- Issuing of warranty certificates
- Stakeholder engagement
- Sustained warranty fund

FINANCIAL PERSPECTIVE

Based on the strategic intent and the strategy map which have been adopted by the NHBRC, the performance levels for the Annual Performance Plan 2019/2020 will be articulated based on the adopted four balanced scorecard perspectives. The four perspectives are as follows: financial perspective, customer perspective, internal business processes perspective and innovation, learning and growth Perspective.

The financial perspective deals with all financial measures that financially impact on the NHBRC. The strategic objective **“to maintain a sustainable warranty fund”**, is fundamental to the long-term sustainability of the entity.

The management of the NHBRC has realised that there is a need to be more relevant to the customers, stakeholders and the shareholder. The NHBRC has realised that there is little or no direct contribution to assist the Medium Term Strategic Framework 2019-2024 in the rollout of the envisaged housing opportunities. The NHBRC can add more value in the construction sector by ensuring that there is direct interaction with, or there are products contributing value towards, the home consumer by developing innovative financial products for their protection. Developers are looking to the NHBRC for a real financial value contribution in the form of new incentives and rebates that would encourage them to register and renew with the NHBRC.

Developers and home builders know that the grading system was gazetted in 2007 and are looking forward to its implementation so that they can start to realise the benefits of how the organisation will encourage good building practices and discourage bad building practices.

Management has realised that it would be prudent for the organisation to manage the warranty fund from within because that would give Council more autonomy and control on various investments that could be used to realise the most returns.

Trends in the construction sector in the country indicate that there is a large development shift towards the affordable housing market segment.

The Minister of Human Settlements has already indicated that the NDHS is moving with speed in the implementation of the Catalytic Projects, which is being developed on well-located land. The human settlements sector is also moving towards a rental demand and the rent-to-buy requirements for bulk employers especially in the mining sector and government. Through the newly developed innovative financial sector products the NHBRC can start to expand planned institutional and government housing developments in Africa.

In terms of its assurance functions, management of the NHBRC has identified that there are serious gaps that need to be closed in our supply chain management processes. The root causes were the non-compliance with NT prescripts as they pertain to supply chain management activities. This resulted in, inter alia, tenders being advertised for less than 21 days and fewer than three quotes being obtained for the procurement of goods and services. The identified problems could be attributed to: inadequacy in policies, procedures and process maps and internal controls at an operating level, the lack of consequence management being applied within the organisation, and finally, inadequate assurance capacity and functions to proactively identify these risks and report them to oversight functions.

Corporate Communication and Marketing is one of the foundation pillars of the organisation. It has come to our realisation that we need to strengthen strategic partnerships and have more strategic intervention workshops with all stakeholders so that we can educate them about, and induct them to, the business of the NHBRC. Management conducted provincial engagements with builders and staff and some of the issues raised were that: housing consumers are not aware of the existence of the NHBRC, its role in protecting the housing consumer and regulating the homebuilding industry, their rights and recourse in this regard and how to access the warranty fund to process a claim. In order to increase visibility and accessibility the NHBRC has acquired two mobile bus units which are used to access all the remote areas and deliver services for the convenience of home builders and home builders.

In order to make the NHBRC accessible, the management of the NHBRC has resolved to make effective the regulatory capability which contributes to sufficient housing consumer awareness campaigns. The marketing campaigns will be focused on the right target markets and a need for additional satellite offices and alternative service channels to increase access to the NHBRC. For example, this could include the deployment of mobile offices, online registration platforms and contact centres. The NHBRC would make its website accessible so that housing consumers can use it to get information on home builders and a database of experts will also be made available. When the Ministry delivers completed units to the beneficiaries the NHBRC will ensure that packs which include consumer education materials, title deeds and warranty fund information is also handed over to the beneficiaries.

The following challenges are being experienced within the inspectorate operations and include, amongst others: the inadequacies in the training of inspectors; some critical inspection stages being missed during construction; the turnaround times of inspection stages not being met; the lack of consistency in issuing non-compliances for testing material; and the poor controls over material non-compliances identified.

CUSTOMER PERSPECTIVE

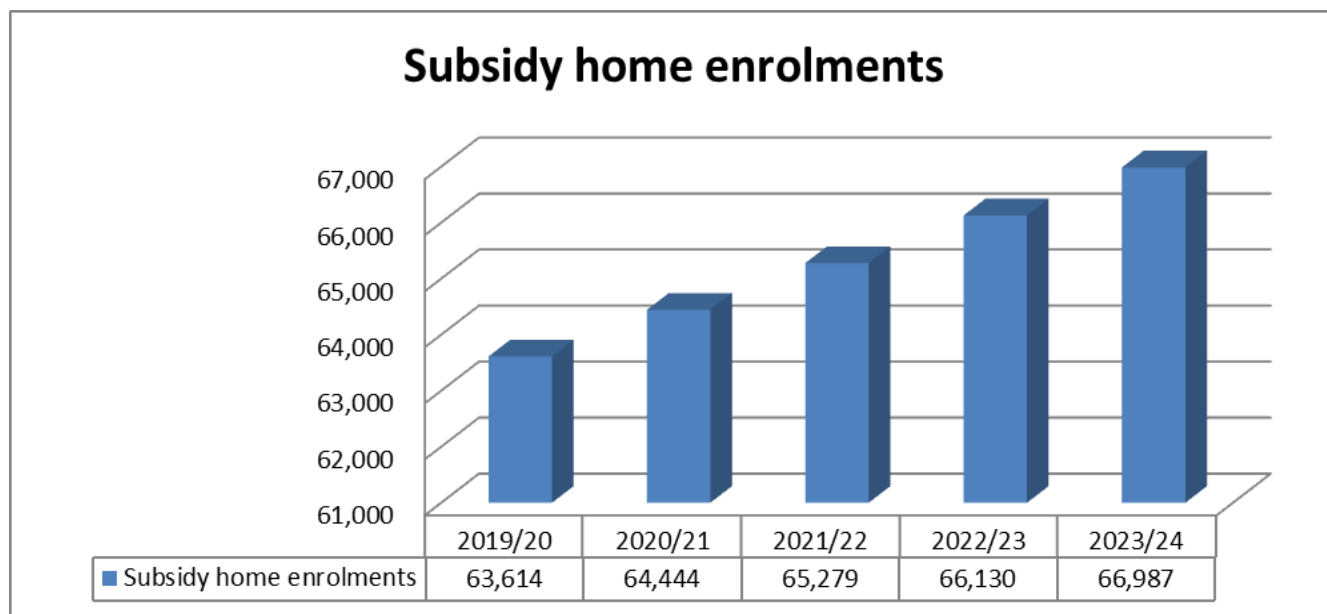
The customer perspective seeks to define the products and services that will be supplied by the organisation and how the organisation will maintain its customer base. Given the review of the NHBRC's VFPs and the organisational values, the strategic objective for this perspective is **“to ensure an effective regulatory compliance”**.

The Customer Service division focuses on developing a value proposition for customers, manage the relationships with customers and stakeholders, communicate and ensure that home builders are registered with the NHBRC.

As mentioned previous, the NHBRC is operating on a hybrid model for inspection which consist of both the insourced inspection and outsourced inspection. The insourced inspection consist of an average of 200 inspectors that we have on our payroll and outsourced inspection consists of companies that may be appointed to conduct inspections on behalf of the NHBRC. The outsourced inspectorate requires that quality assessors verify and check that proper inspections have been done.

DELIVERY BY NDHS AND ENROLMENTS BY NHBRC

Figure 6. Delivery by NDHS and enrolments by NHBRC for the period 2019/20 to 2023/2024



The figure above shows the number of units that have been to planned for the MTEF period 2019/2020 to 2023/2024

REGULATORY COMPLIANCE DIVISION

The Legal Compliance and Enforcement division's continued existence is informed by, inter alia, the following:

The organisational Strategic Corporate Plan and the APP, in particular, the NHBRC's strategic outcome-oriented goals for the period 2019-2024: "A well-functioning regulatory body that ensures that industry adheres to the norms and standards" as well as "Well-protected housing consumers for the country".

LCE'S STRATEGIC OBJECTIVES

The strategic objectives of the division are: to ensure the effective and efficient execution of the above; to safeguard the interests of the organisation through efficient contract management services, cutting edge legal advisory services and prudent litigation management; to entrench a culture of compliance with applicable legislative and regulatory frameworks within the organisation; and to contribute to the execution of the organisational mandate through fair, effective and efficient enforcement of the HCPMA.

SECTIONAL KEY PERFORMANCE AREAS

Section	Key Performance Areas
Legal Services	<ul style="list-style-type: none"> • Litigation management, consisting of: <ul style="list-style-type: none"> • General litigation • Recoveries (s17 of the HCPMA) • Interdicts (s20 of the HCPMA) • Contract management consisting of: <ul style="list-style-type: none"> • Drafting, reviewing, vetting, negotiating and monitoring of contracts • Legislative review • Legal advisory services, consisting of: <ul style="list-style-type: none"> • Corporate legal opinions/advice • Chairing of Internal Complaints Advisory Panel (s22 of the HCPMA and Rule 30 under General Council Rules 1408) • Attending to Complaints from the Minister and the Public Protector (s22 and Rule 30 under General Council Rules 1408) • Mandatory participation at Bid Specification and Evaluation Committees
Regulatory Compliance Function	<ul style="list-style-type: none"> • Compliance risk identification • Compliance risk assessment • Compliance risk management plans • Compliance risk monitoring • Compliance risk reporting • Compliance training and awareness • Compliance advisory • Intellectual property
Enforcement Section	<ul style="list-style-type: none"> • Suspension of defaulting home builders (various sections of the HCPMA + regulations regarding NHBRC disciplinary proceedings R1409) • Disciplinary of defaulting home builders (various sections of the HCPMA + regulations regarding NHBRC disciplinary proceedings R1409 + the Home Builder Code of Conduct) • Investigation of alleged non-compliance with the HCPMA (s21 of the HCPMA + the Home Builder Code of Conduct); • Training of internal and external stakeholders (relevant NHBRC officials, home builders, housing consumers, SAPS, NPA, etc.) • General legal advice to stakeholders specifically to facilitate efficient enforcement of the HCPMA

COMPLIANCE

The regulatory compliance function aims to provide reasonable assurance to the organisation that its activities are conducted in compliance with the regulatory requirements that are impacting on the functioning of the business.

TRAINING AND DEVELOPMENT FOR CATEGORIES

The NHBRC is required by law to conduct the training of home builders and other Government related requirements. The NHBRC currently conducts training for home builders, youth, women, people with disabilities, artisans, home inspectors and military veterans.

Through the training section, the NHBRC aims to enhance the building skills of home builders and will to this end develop relevant course materials to promote excellence in the homebuilding environment. This will also contribute to the improvement of professionals in the built environment as well as increase the level of compliance with building regulations, standards and norms in general.

The NHBRC will be establishing a school for inspectors and a school for home builders to ensure that competent inspectors and home builders are produced which will help improve the quality of delivery on the ground. The NHBRC has a three-year artisan development programme and is collaborating with colleges and TVET (Technical and Vocational Educational Training) institutions in order to produce good builders.

INTERNAL BUSINESS PROCESSES

The internal business processes perspective addresses the institutional processes and systems that make the organisation deliver its VFPs in a cost-effective manner. In this context, the strategic objective for this perspective is to **“to improve cost effectiveness and internal efficiencies of operations”**.

The management of the NHBRC is currently undertaking a SAP project to ensure that it gives business the required support to assist in the delivery of the mandate. The Business Management Solutions section is positioned strategically within the NHBRC so that it can deliver on its work in an efficient manner.

The Business Management Solutions section will ensure that we achieve a 99% uptime of ICT systems and SAP. The NHBRC is also in the process of locating a suitable business continuity site which could accommodate employees in case of a disaster. The NHBRC has also identified that there is a serious lack of computer literacy amongst employees and as such, the Human Capital section has piloted computer training at three NHBRC offices with huge success and an option of e-learning is also being considered. The NHBRC was very proactive in the sense that they have been running a change management workshop as well to ensure that staff adjusts to the implementation process of enterprise resource planning.

INNOVATION LEARNING AND GROWTH

The strategic objective of this perspective is **“to research and introduce innovative product methods and technologies within the homebuilding industry”**. This perspective focuses primarily on the people's process and the creation of a nurturing environment in the organisation.

The management of the NHBRC decided that the Human Capital section must be strengthened so that it can deliver on its functions. The section will be managed by a competent individual with the necessary human capital abilities and competencies. The Human Capital section will ensure that there is a proper human capital re-engineering strategy in place for the organisation. Career pathing and succession planning will be rolled out in the short term within the organisation. All the human resource problems that were identified during the workshops with employees across the provincial offices will be put to rest. Some of the issues and challenges that were identified were as follows:

Executive recruitment and capability:

While the NHBRC is largely a technical operation, its executive recruitment processes have failed to appropriately identify the requisite technical competencies to enable the NHBRC to discharge its mandate successfully. The appointment of inadequately skilled individuals into key executive positions, in the absence of any supporting mentoring programmes, has resulted in a less than adequate executive capability.

Organisational structure

The current organisational structure is currently being developed that would cater for the needs and goals that should be achieved.

Organisational culture (performance, accountability and consequence management):

The absence of a defined competency framework linked to a career path and training programme results in training efforts being ad hoc, inconsistent and unfocused. This could result in lost productivity, inefficient training programmes and, ultimately, frustrated employees.

Programme 1: Administration

The NHBRC has agreed to an administration and governance programme together with National Department of Human Settlements and National Treasury. The administration and governance programme ensures that KPA's that are related to administration and governance are covered in the Annual Performance Plan. The KPA's are from Business Management Solution, Human Capital, Facilities, Policy Development, Finance and Supply Chain Management. All the KPA's will be monitored and evaluated on a quarterly basis.

Business Management Solutions

Programme Purpose: The management of computer based information systems and relating infrastructure.

Human Capital Section

Programme Purpose: The provision of specialist seamless human capital management.

Facilities Management

Programme purpose: To ensure that facilities owned and rented by the organisation are compliant to health and safety standards and all relevant legislations.

Policy Development

Programme purpose: To provide guidelines for best practices within the organisation and instil norms and values for the employees.

Supply Chain Management

Programme purpose: To procure goods and services with National Treasury prescripts.

Finance

Programme purpose: To ensure that the organisation grows and sustains the warranty fund.

Strategic Objective	Program performance Indicator	5year strategic corporate plan	Audited /Actual performance			Estimated performance	MTEF PERIOD				Portfolio of evidence
		2019-2024	2015/2016	2016/2017	2017/2018	2018/2019	Planned Targets 2019/2020	2020/2021	2021/2022	2022/2023	
To improve cost effectiveness and internal efficiencies of operations	% maintenance of Network availability	Achieve 99% maintenance of Network availability	99% of uptime was achieved.	99% uptime of ICT System	99.81% maintenance of critical ICT services	Achieve 99% uptime of ICT infrastructure(SAP, network and exchange(email))	Achieve 99% maintenance of Network availability	Achieve 99% maintenance of Network availability	Achieve 99% maintenance of Network availability	Achieve 99% maintenance of Network availability	Network availability report
	% maintenance of SAP system availability	99% maintenance of SAP system availability	Not applicable	Not applicable	100% stabilization and enhancement of the core business system (SAP)	100 % stabilisation and enhancement of the core business system (SAP)	99% maintenance of SAP system availability	99% maintenance of SAP system availability	99% maintenance of SAP system availability	99% maintenance of SAP system availability	SAP availability Report
	% Implementation of Human Capital Plan	100% Implementation of Human Capital Plan	Not applicable	Not applicable	Not applicable	Not applicable	100% Implementation of Human Capital Plan	100% Implementation of Human Capital Plan	100% Implementation of Human Capital Plan	100% Implementation of Human Capital Plan	Updated Human Capital Plan
	% Implementation of Facilities Management Plan	100% Implementation of Facilities Management Plan	Not applicable	Not applicable	Not applicable	Not applicable	100% Implementation of Facilities Management Plan	100% Implementation of Facilities Management Plan	100% Implementation of Facilities Management Plan	100% Implementation of Facilities Management Plan	Updated Facilities Management Plan
	% Implementation of Policy Management Plan	100% Implementation of Policy Management Plan	Not applicable	Not applicable	26 policies developed	Not applicable	100% Implementation of Policy Management Plan	100% Implementation of Policy Management Plan	100% Implementation of Policy Management Plan	100% Implementation of Policy Management Plan	Updated Policy Maintenance Plan
To maintain a sustainable warranty fund	Operating surplus > Budget	Operating surplus > Budget	Actual net profit < budget by R94m	Not applicable	Operating profit > Budget	Operating profit > Budget	Operating surplus > Budget	Operating surplus > Budget	Operating surplus > Budget	Operating surplus > Budget	Management Accounts Report

Strategic Objective	Program performance Indicator	5year strategic corporate plan	Audited /Actual performance			Estimated performance	MTEF PERIOD				Portfolio of evidence
		2019-2024	2015/2016	2016/2017	2017/2018	2018/2019	Planned Targets 2019/2020	2020/2021	2021/2022	2022/2023	
	BEE spend	Achieve BEE spend of 65%	BEE Spend 59%	BEE Spend 61%	BEE Spend 65%	BEE Spend (51%)	Achieve BEE spend of 65%	Achieve BEE spend of 65%	Achieve BEE spend of 65%	Achieve BEE spend of 65%	Supplier Payment report
	Number of days within which suppliers are paid	Suppliers paid within 30 days	Suppliers paid within 37days	Not applicable	Suppliers paid within 17 days	Suppliers paid within 30 days	Suppliers paid within 30 days	Suppliers paid within 30 days	Suppliers paid within 30 days	Suppliers paid within 30 days	Performance Report

Quarterly breakdown 2019/2020

Performance Indicator	Reporting period	Annual target	Quarterly targets			
			1st	2nd	3rd	4th
% Maintenance of Network availability	Quarterly		99 % maintenance of Network availability	99 % maintenance of Network availability	99 % maintenance of Network availability	99 % maintenance of Network availability
	Bi-annual					
	Annual	99 % maintenance of Network availability				
% Maintenance of SAP system availability	Quarterly		99% Maintenance of SAP system availability	99% Maintenance of SAP system availability	99% Maintenance of SAP system availability	99% Maintenance of SAP system availability
	Bi-annual					
	Annual	99% Maintenance of SAP system availability				
% Implementation of Human Capital Plan	Quarterly		15% Implementation of Human Capital Plan	60% Implementation of Human Capital Plan (cumulative)	85% Implementation of Human Capital Plan (cumulative)	100% Implementation of Human Capital Plan (cumulative)
	Bi-annual					
	Annual	100% Implementation of Human Capital Plan				

% Implementation of Facilities Management Plan	Quarterly		15% Implementation of Facilities Management Plan	60% Implementation of Facilities Management Plan (cumulative)	85% Implementation of Facilities Management Plan (cumulative)	100% Implementation of Facilities Management Plan (cumulative)
	Bi-annual					
	Annual	100% Implementation of Facilities Management Plan				
% Implementation of Policy Management Plan	Quarterly		15% Implementation of Policy Management Plan	60% Implementation of Policy Management Plan (cumulative)	85% Implementation of Policy Management Plan (cumulative)	100% Implementation of Policy Management Plan (cumulative)
	Bi-annual					
	Annual	100% Implementation Policy Management Plan				
Operating surplus > Budget	Quarterly		Operating surplus > Budget	Operating surplus > Budget	Operating surplus > Budget	Operating surplus > Budget
	Bi-annual					
	Annual	Operating surplus > Budget				
% BEE Spend	Quarterly		Achieve BEE spend of 65%	Achieve BEE spend of 65%	Achieve BEE spend of 65%	Achieve BEE spend of 65%
	Bi-annual					
	Annual	Achieve BEE spend of 65%				
Number of days within which suppliers are paid	Quarterly		Suppliers paid within 30 days	Suppliers paid within 30 days	Suppliers paid within 30 days	Suppliers paid within 30 days
	Bi-annual					
	Annual	Suppliers paid within 30 days				

Reconciling performance targets with budget and MTEF

Expenditure	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
% Maintenance of Network availability	41 716	31 000	36 750	38 588	40 710	42 949	45 311
% Maintenance of SAP system availability	0	8 000	6 000	6 000	0	0	0
% Implementation of Human Capital Plan		1000	1 000	1 000	1 000	1 000	1 000
% Implementation of Facilities Management Plan	2 011	2 770	2 909	3 054	3 222	3 399	3 586
% Implementation of Policy Management Plan	2011	2770	2 909	3 054	3 222	3 399	3 586

Expenditure	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Operating surplus > Budget		341%	385%	427%	443%	462%	484%
% BEE Spend	523,188	25,302	488,293	419,750	456,766	482,162	51,255
Number of days within which suppliers are paid	338,272	214,916	411,372	389,652	413,032	433,683	455,367

Programme 2: Regulation

The NHBRC has agreed to a regulation programme together with National Department of Human Settlements and National Treasury.

The regulation programme ensures that KPI's that are related to regulation are covered in the Annual Performance Plan. The KPI's are from Business Services, Women Empowerment Programme, Stakeholders, legal, enforcement and compliance will be monitored and evaluated on a quarterly basis.

Home Builder Registration

Programme purpose: To register all home builders in the building industry for compliance with Housing Consumers Protection Measures Act, 1998 (Act No.95 of 1998) as amended.

Renewal of Home Builder Registration

Programme purpose: To renew home builders in the home building industry for compliance with Housing Consumers Protection Measures Act, 1998 (Act No.95 of 1998).

Inspections of homes (Subsidy and Non-Subsidy)

Programme purpose: To ensure that all enrolled homes are inspected.

Legal Compliance and Enforcement

Programme Purpose: To contribute towards an efficient and effective implementation of the NHBRC mandate by ensuring compliance with the applicable legislative framework, enforcement of the Act and provision of cutting edge legal advisory services.

Centre for research and housing innovation

Programme purpose: To promote research, innovation and skills development for thought leadership in the human settlement sector.

Training

Programme purpose: To enhance the skill levels and capacity of home builders in the following categories: home builders, youth, women, artisans, people with disabilities, military veterans and technical professionals.

Strategic Objective	Program performance Indicator	5year strategic corporate plan	Audited /Actual performance			Estimated performance	MTEF PERIOD				Portfolio of evidence
		2019-2024	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	
To ensure an effective regulatory compliance	Number of home builders to be registered	14,866 home builders to be registered	4,384 home builders registered	4,879 home builders registered	3,435 home builders registered	3,518 home builders to be registered	2,885 home builders to be registered	2,923 home builders to be registered	2,963 home builders to be registered	3,019 home builders to be registered	CRM System generated report
	Number of home builders to renew their registrations.	65,985 home builders to renew their registration	12,602 home builders renewed their registration	13,343 home builders renewed their registration	13,832 home builders renewed their registration	12,919 home builders to renew their registration	12,903 home builders to renew their registration	12,952 home builders to renew their registration	13,132 home builders to renew their registration	13,375 home builders to renew their registration	CRM system generated reports
	Number of homes to be inspected in the non-subsidy sector	283,530 homes inspected in the non-subsidy sector	111,368 inspections conducted in the non-subsidy sector	113,379 inspections conducted in the non-subsidy sector	75,176 inspections conducted in the non-subsidy sector	50,485 homes to be inspected in the non-subsidy sector	50,130 homes to be inspected in the non-subsidy sector	55,000 homes to be inspected in the non-subsidy sector	55,800 homes to be inspected in the non-subsidy sector	56,500 homes to be inspected in the non-subsidy sector	CRM system generated reports
	Number of homes inspected in the subsidy sector	442,415 homes inspected in the subsidy sector	111 387 homes were inspected in the Subsidy sector.	94 528 homes were inspected in the Subsidy Sector	83 369 homes were inspected in the Subsidy sector.	112 179 homes to be inspected in the Subsidy sector	75 379 homes inspected in the subsidy sector	81,408 homes inspected in the subsidy sector	87,922 homes inspected in the subsidy sector	95,155 homes inspected in the subsidy sector	Inspection report
	% of prosecutable matters suspended within 10 working days of receipt of instruction by Paralegal	80% of prosecutable matters suspended within 10 working days of receipt of	34% of relevant home builders suspended within 14 days from date of	84% of prosecutable matters suspended within 14 days of receipt of instruction by paralegal	7 days taken to suspend defaulting home builders	80% of home builders suspended on prosecutable matters	80% of prosecutable matters suspended within 10 working days of receipt of instruction by Paralegal	80% of prosecutable matters suspended within 10 working days of receipt of instruction by Paralegal	80% of prosecutable matters suspended within 10 working days of receipt of	80% of prosecutable matters suspended within 10 working days of receipt of	Approved suspension memorandum by the Manager or any delegated person

Strategic Objective	Program performance Indicator	5year strategic corporate plan	Audited /Actual performance			Estimated performance	MTEF PERIOD				Portfolio of evidence
		2019-2024	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	
		instruction by Paralegal	receipt of file						instruction by Paralegal	instruction by Paralegal	
	% of prosecutable matters set down for hearing before the DC within 120 working days from date of suspension OR from date of receipt of instruction	80% of prosecutable matters set down for hearing before the DC within 120 working days from date of suspension or from date of receipt of instruction	55% of home builders prosecuted within 160 days from date of suspension	49% of prosecutable matters presented before DC Committee within 160 days from date of suspension	95 days taken to prosecute defaulting home builders	100% of prosecutable matters set down for hearing before Disciplinary Committee.	80% of prosecutable matters set down for hearing before the DC within 120 working days from date of suspension or from date of receipt of instruction	80% of prosecutable matters set down for hearing before the DC within 120 working days from date of suspension or from date of receipt of instruction	80% of prosecutable matters set down for hearing before the DC within 120 working days from date of suspension or from date of receipt of instruction	80% of prosecutable matters set down for hearing before the DC within 120 working days from date of suspension or from date of receipt of instruction	Disciplinary Committee Roll
To research and introduce innovative product methods and technologies within the homebuilding industry	Conduct a study on the impact of NHBRC builders training within the home built environment	Conduct a study on the impact of NHBRC builders training within the home built environment	Not applicable	Not applicable	Not applicable	Not applicable	Conduct a study on the impact of NHBRC builders training within the home built environment	Not applicable	Not applicable	Conduct a study on the impact of NHBRC builders training within the home built environment	Report
	% completion of a design, construction and evaluation of a Green Edge Rated IBT house	To design, construct and evaluate a green edge rated IBT	Not applicable	Not applicable	Not applicable	Not applicable	50% completion of a design of a green edge rated IBT house	50% completion of a design of a green edge rated IBT house	100% construction of a green edge rate IBT house	Evaluation of the performance of a green edge rated IBT house	Design report/ Construction report/Evaluation report
	Number of home builders to be trained	12,000 home builders to be trained	2463 home builders trained	1,739 home builders trained	2,357 home builders trained	2,000 home builders to be trained	2,400 home builders to be trained	2,400 home builders to be trained	2,400 home builders to be trained	2,400 home builders to be trained	Certificate/ registry of trainees

Strategic Objective	Program performance Indicator	5year strategic corporate plan	Audited /Actual performance			Estimated performance	MTEF PERIOD				Portfolio of evidence
		2019-2024	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	
	Number of Youth to be trained	10,000 Youth to be trained	1,623 Youth trained	2,638 Youth trained	2,946 Youth trained	2,000 Youth to be trained	2,000 Youth to be trained	2000 Youth to be trained	2000 Youth to be trained	2000 Youth to be trained	Certificate/ registry of trainees
	Number of Women to be trained	9,900 Women to be trained	279 Women trained	1,139 Women trained	1,880 Women trained	1,800 Women to be trained	1,980 Women to be trained	1980 Women to be trained	1980 Women to be trained	1980 Women to be trained	Certificate/ registry of trainees
	Number of Military Veterans to be trained	1,500 Military Veterans to be trained	111 Military Veterans trained	503 Military Veterans trained	442 Military Veterans trained	450 Military Veterans to be trained	300 Military Veterans to be trained	300 Military Veterans to be trained	300 Military Veterans to be trained	300 Military Veterans to be trained	Certificate/ registry of trainees
	Number of people with disabilities to be trained	1,825 people with disabilities to be trained	34 people with disabilities trained	229 people with disabilities trained	365 people with disabilities trained	300 people with disabilities to be trained	365 people with disabilities to be trained	365 people with disabilities to be trained	365 people with disabilities to be trained	365 people with disabilities to be trained	Certificate/ registry of trainees
	Number of Technical prof to be trained	3,475 Technical professionals to be trained	310 Technical professionals trained	607 Technical professionals trained	587 Technical professionals trained	500 Technical professionals to be trained	695 Technical professionals to be trained	695 Technical professionals to be trained	695 Technical professionals to be trained	695 Technical professionals to be trained	Certificate/ registry of trainees
	Number of Artisans to be trained	3,200 Artisans to be trained	256 Artisans trained	764 Artisans trained	766 Artisans trained	400 Artisans to be trained	500 Artisans to be trained	600 Artisans to be trained	650 Artisans to be trained	700 Artisans to be trained	Certificate/ registry of trainees

Quarterly breakdown 2019/2020

Performance Indicator	Reporting period	Annual target	Quarterly targets			
			1st	2nd	3rd	4th
Number of home builders to be registered	Quarterly		723	725	719	718
	Bi-annual					
	Annual	2,885 home builders to be registered				
Number of home builders to renew their registrations.	Quarterly		3,226	3,226	3,225	3,226
	Bi-annual					
	Annual	12,903 home builders to renew their registration				
Number of homes to be inspected in the non-subsidy sector	Quarterly		12,533	12,532	12,532	12,533
	Bi-annual					
	Annual	50,130 homes to be inspected in the non-subsidy sector				
Number of homes inspected in the subsidy sector	Quarterly		21,942	21,126	10,519	21,792
	Bi-annual					
	Annual	75,379 subsidy enrolled homes under construction, inspected and completed with installation of infrastructure				
% of defaulting home builders suspended on prosecutable matters within 10 working days of receipt of instruction by Paralegal	Quarterly		80% of prosecutable matters suspended within 10 working days of receipt of instruction by Paralegal	80% of prosecutable matters suspended within 10 working days of receipt of instruction by Paralegal	80% of prosecutable matters suspended within 10 working days of receipt of instruction by Paralegal	80% of prosecutable matters suspended within 10 working days of receipt of instruction by Paralegal
	Biannual					
	Annual	80% of prosecutable matters suspended within 10 working days of receipt of instruction by Paralegal				
% of prosecutable matters set down for hearing before the Disciplinary Committee ("DC") within 120 working days from date of	Quarterly		80% of prosecutable matters set down for hearing before the DC within 120 working days from date of suspension OR from	80% of prosecutable matters set down for hearing before the DC within 120 working days from date of suspension	80% of prosecutable matters set down for hearing before the DC within 120 working days from date of suspension OR from	80% of prosecutable matters set down for hearing before the DC within 120 working days from date of suspension

Performance Indicator	Reporting period	Annual target	Quarterly targets			
			1st	2nd	3rd	4th
suspension OR from date of receipt of instruction			date of receipt of instruction	OR from date of receipt of instruction	date of receipt of instruction	OR from date of receipt of instruction
	Biannual	-				
	Annual	80% of prosecutable matters set down for hearing before the DC within 120 working days from date of suspension OR from date of receipt of instruction				
Conduct a study on the impact of NHBRC builders training within the home built environment	Quarterly		-	-	-	Conduct a study on the impact of NHBRC builders training within the home built environment
	Bi-annual					
	Annual	Conduct a study on the impact of NHBRC builders training within the home built environment				
% completion of a design, construction and evaluation of a green edge rated IBT house	Quarterly		5% completion of a design of a green edge rated complaint IBT house as per project plan.	10% completion of a design of a green edge rated complaint IBT house as per project plan.	15% completion of a design of a green edge rated complaint IBT house as per project plan.	20% completion of a design of a green edge rated complaint IBT house as per project plan.
	Bi-annual					
	Annual	50% completion of a design of a green edge rated complaint IBT house as per project plan				
Number of home builders to be trained	Quarterly		480 home builders to be trained	720 home builders to be trained	720 home builders to be trained	480 home builders to be trained
	Bi-annual					

Performance Indicator	Reporting period	Annual target	Quarterly targets			
			1st	2nd	3rd	4th
	Annual	2,400 home builders to be trained				
Number of Youth to be trained	Quarterly		400 youth to be trained	600 youth to be trained	600 youth to be trained	400 youth to be trained
	Bi-annual					
	Annual	2,000 youth to be trained				
Number of Women to be trained	Quarterly		405 women to be trained	585 women to be trained	585 women to be trained	405 women to be trained
	Bi-annual					
	Annual	1,980 women to be trained				
Number of Military Veterans to be trained	Quarterly		75 Military Veterans to be trained	75 Military Veterans to be trained	75 Military Veterans to be trained	75 Military Veterans to be trained
	Bi-annual					
	Annual	300 military veterans to be trained				
Number of people with disabilities to be trained	Quarterly		77 people with disabilities to be trained	108 people with disabilities to be trained	108 people with disabilities to be trained	72 people with disabilities to be trained
	Bi-annual					
	Annual	365 people with disabilities to be trained				
Number of Technical professionals to be trained	Quarterly		139 technical professionals to be trained	209 technical professionals to be trained	209 technical professionals to be trained	138 technical professionals to be trained
	Bi-annual					
	Annual	695 technical professionals to be trained				
Number of Artisans to be trained	Quarterly		100 artisans to be trained	200 artisans to be trained (cumulative)	400 artisans to be trained (Cumulative)	500 artisans to be trained (Cumulative)
	Bi-annual					
	Annual	500 artisans to be trained				

Reconciling performance targets with budget and MTEF

Expenditure	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Number of home builders to be registered	3,123	2,314	2,117	2,233	2,365	2,486	2,593
Number of home builders to renew their registrations.	9,923	9,699	6,628	6,993	7,378	7,783	7,881

Expenditure	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Number of homes to be inspected in the non-subsidy sector	165 319	189 312	193 312	203 944	215 161	226 995	239 479
Number of homes to be inspected in the subsidy sector	165 319	189 312	193 312	203 944	215 161	226 995	239 479
% of defaulting home builders suspended on prosecutable matters within 10 working days of receipt of instruction by Paralegal	524	1 200	1 260	1 323	1 389	1 459	1 532
% of prosecutable matters set down for hearing before the Disciplinary Committee ("DC") within 120 working days from date of suspension OR from date of receipt of instruction	3 810	5 691	5 976	6 274	6 619	6 983	7 368
Conduct a study on the impact of NHBRC builders training within the home built	0	0	0	0	0	0	0
% completion of a design, construction and evaluation of a green edge rated IBT house	0	0	0	0	0	0	0
Number of home builders to be trained	8 499	9 500	10 000	10 500	11 025	11 576	12 155
Number of Youth to be trained	9 900	1 500	1 575	1 654	1 736	1 823	1 914
Number of Women to be trained	3 329	9 000	9 450	9 923	10 419	10 940	11 487
Number of Military Veterans to be trained	639	1 000	1 050	1 103	1 158	1 216	1 276
Number of people with disabilities to be trained	348	1 000	1 050	1 103	1 158	1 216	1 276
Number of Technical professionals to be trained	211	1 000	1 050	1 103	1 158	1 216	1 276
Number of Artisans to be trained	1 784	1 000	1 050	1 103	1 158	1 216	1 276

Programme 3: Consumer Protection

The NHBRC protect the housing consumers and regulating the home building environment by ensuring that all homes constructed are enrolled and covered under the 5 year structural warranty.

Home Enrolment (Non-Subsidy and subsidy)

Programme purpose: is to enrol all homes 15 days before construction can begin, as stipulated in Section 14 of the Housing Consumers Protection Measures Act, 1998 (Act No.95 of 1998).

Corporate Communications Section

Programme purpose: The Corporate Communication and Marketing Unit is responsible for strategic communication and reputation management through internal and external communication, media and public relations, stakeholder engagement, events and brand positioning of the organisation.

Strategic Objective	Program performance Indicator	5year strategic corporate plan	Audited /Actual performance			Estimated performance	MTEF PERIOD				Portfolio of evidence
		2019-2024	2015/2016	2016/2017	2017/2018	2018/2019	Planned Targets 2019/2020	2020/2021	2021/2022	2022/2023	
To ensure an effective regulatory compliance	Number of homes to be enrolled in the subsidy sector	268,454 to be enrolled in the subsidy sector	77,004 subsidy homes enrolled	74,149 subsidy homes enrolled	66,691 subsidy homes enrolled	112,179 subsidy homes to be enrolled	63,614 to be enrolled in the subsidy sector	64,444 to be enrolled in the subsidy sector	65,279 to be enrolled in the subsidy sector	66,130 to be enrolled in the subsidy sector	Excel Spreadsheet supported by approval letters
	Number of home enrolments in the Non-subsidy sector	259,564 homes to be enrolled in the non-subsidy sector	49,640 homes enrolled in the non-subsidy sector	51,990 homes enrolled in the non-subsidy sector	56,506 homes enrolled in the non-subsidy sector	50,485 homes to be enrolled in the non-subsidy sector	50,130 homes to be enrolled in the non-subsidy sector	51,003 homes to be enrolled in the non-subsidy sector	51,894 homes to be enrolled in the non-subsidy sector	52,804 homes to be enrolled in the non-subsidy sector	CRM system generated report
To improve cost effectiveness and internal efficiencies of operations	% implementation of Communication Plan	100% implementation of Communication Plan	Not applicable	Not applicable	Not applicable	9 housing consumer stakeholder sessions held at provinces	100% implementation of Communication Plan	100% implementation of Communication Plan	100% implementation of Communication Plan	100% implementation of Communication Plan	Updated Communication Plan

Quarterly breakdown 2019/2020

Performance indicator	Reporting period	Annual target	Quarterly targets			
			1st	2nd	3rd	4th
Number of homes to be enrolled in the subsidy sector	Quarterly		18,000 homes to be enrolled in the subsidy sector	13,000 homes to be enrolled in the subsidy sector	11,500 homes to be enrolled in the subsidy sector	21,114 homes to be enrolled in the subsidy sector
	Bi-annual					
	Annual	63,614 homes to be enrolled in the subsidy sector				
Number of home enrolments Non-Subsidy	Quarterly		12,533	12,532	12,532	12,533
	Bi-annual					
	Annual	50,130 homes to be enrolled in the non-subsidy sector				
% implementation of Communication Plan	Quarterly		10% implementation of Communication Plan	60% implementation of Communication Plan (cumulative)	85% implementation of Communication Plan (cumulative)	100% implementation of Communication Plan (cumulative)
	Bi-annual					
	Annual	100% implementation of Communication Plan				

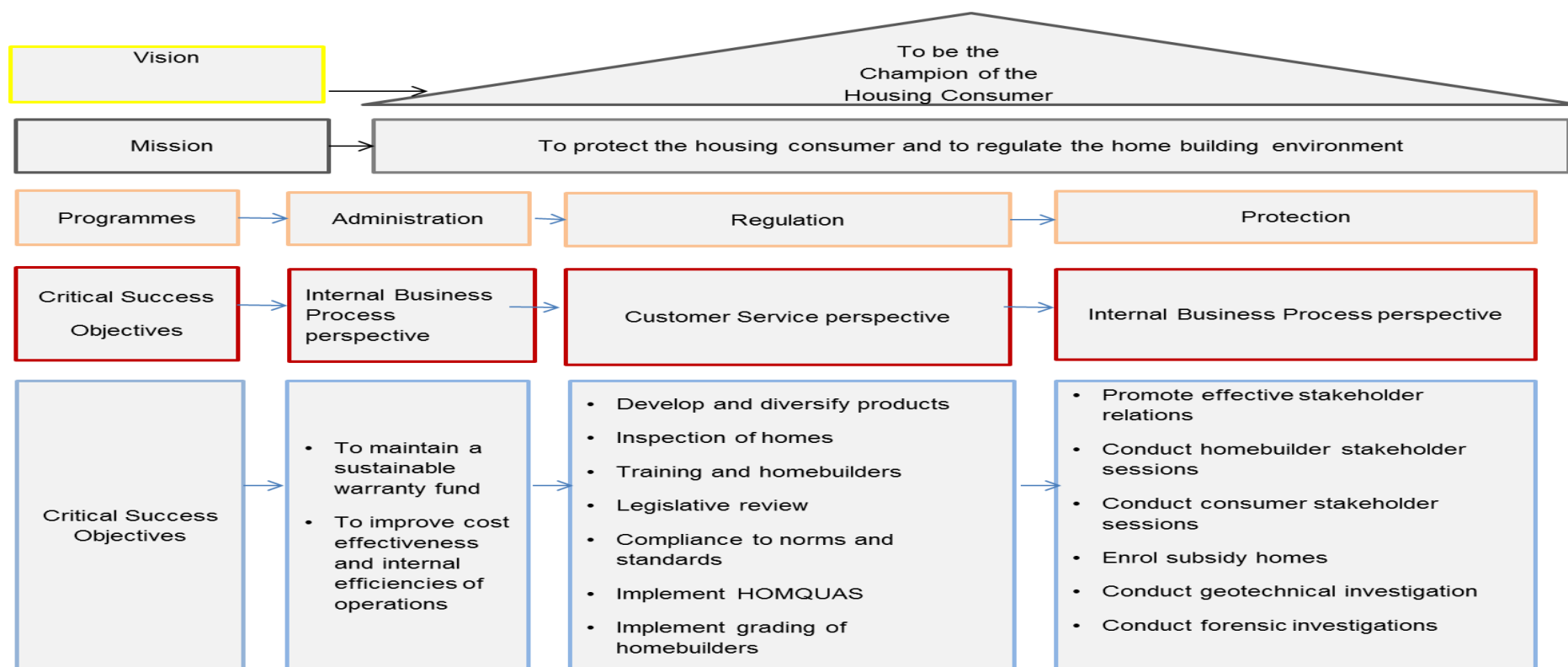
Reconciling performance targets with budget and MTEF

Expenditure	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Number of homes to be enrolled in the subsidy sector	132,486	244,870	175,278	184,919	195,089	205,819	217,139
Number of home enrolments Non-Subsidy	655,563	546,818	680,610	718,043	757,536	799,200	843,156
% implementation of Communication Plan	8	11 000	11 962	12 560	13 251	13 980	14 748

APPENDIX A – NHBRC STRATEGY MAP

The strategy map illustrates the link between the vision, mission, Balanced Scorecard, strategic objectives, programmes (budget structure) and critical success factors which have been adopted for implementation. The organisation was operating based on three programmes; namely, Administration and Governance, Regulation, and Protection. Management has adopted a total of five programmes, which are: Administration and Governance, Regulation and Protection, Research and Development, Legal and Enforcement and Warranty Fund. The strategy map is illustrated below:

Figure 7. Strategy map of NHBRC



*Developed by Drs [Robert S. Kaplan](#) and David P. Norton

NHBRC VALUES STATEMENT

VALUE	MEANING
Excellence and Integrity	To be the best and deliver the best honestly.
Commitment and Accessibility	To do work diligently and reach out to our stakeholders.
Transparency and Accountability	To be fair and open in delivering our functions responsibly.

APPENDIX

B: NHBRC INTERVENTION MATRIX

INTERVENTION MATRIX	NARRATIVE SUMMARY	INDICATORS	MEANS OF VERIFICATION	STRATEGIC DRIVERS
Overall/development objective	To contribute to the human settlements and housing delivery process by protecting the housing consumer and regulating the homebuilding environment			The SA Government is committed to eradicating poverty and building the asset base of the poorest of the poor and the delivery of quality housing.
Specific objective/purpose statement	To grow, protect and sustain the warranty fund and deliver on the services and products of the NHBRC	<ul style="list-style-type: none"> - Rand value of the NHBRC warranty fund - Rand value of home enrolment revenues - Rand value of revenues from home builders registered - Rand value of technical and quality services rendered - Number of home enrolments - Number of home builders registered - Number of home builders trained and developed - Execute research as per the project plan in line with approved research agenda - % of investment assets to exceed actuarial liabilities - Actual net profit > budgeted net profit - % discretionary spend on BEE suppliers - % implementation of the annual compliance plan 	<ul style="list-style-type: none"> - NHBRC annual reports - NHBRC annual financial statements 	<ul style="list-style-type: none"> - The HCPMA legislates the protection of housing consumers - The National Building Regulation and Standards Act, 1977 (Act No. 103 of 1977) prescribes building standards - The policy and legislative framework of the country. Framework legislates for the NHBRC to protect the housing consumer and to set housebuilding standards

INTERVENTION MATRIX	OBJECTIVES	NARRATIVE SUMMARY	INDICATORS	MEANS OF VERIFICATION	STRATEGIC DRIVERS
Key result area 1	Grow, protect and sustain the NHBRC warranty fund	Warranty fund & revenue generation	<ul style="list-style-type: none"> - % of investment assets to exceed actuarial liabilities - % discretionary spent on BEE suppliers - Planned net profit 	<ul style="list-style-type: none"> - Annual financial statements - Investor reports; age analysis report 	<ul style="list-style-type: none"> - Operations services is customer centric in delivering NHBRC value products - The Council has an approved and sound investment policy - Operations systems and procedures are in place and functioning at optimal levels
Key result area 2	Provide innovative quality products and services that will delight the customer	Business Services (Technical, Inspections and Customer Services)	<ul style="list-style-type: none"> - Number of home builders to be registered - Number of home builders to renew their registration - Number of home builders to renew their registration - Number of homes to be inspected for the subsidy sector and non-subsidy sector - Number of homes enrolled that are received from the NDHS for the subsidy sector 	<ul style="list-style-type: none"> - Annual financial statements - NHBRC consumer education materials - Participant attendance registers - NHBRC stakeholder meeting reports 	<ul style="list-style-type: none"> - Home builders are willing and able to register with the NHBRC - Municipalities and provinces will fund and enrol subsidy projects and home enrolments - Building plans have been or will be approved by municipalities to enable the construction of homes
		Quality assurance	<ul style="list-style-type: none"> - Number of homes to be inspected for subsidy sector - Number of homes to be inspected for non-subsidy sector 	<ul style="list-style-type: none"> - Compliance reports and register - PDA inspection reports - Quarterly reports - Partnership agreements 	The National Building Regulation and Standards Act, 1977 (Act No. 103 of 1977) prescribes the development and monitoring of building standards
Key result area 3	To provide innovative quality products and services that will delight the customer	Home builder training & development	<ul style="list-style-type: none"> - Number of emerging home builders trained - Number of people to be trained in government projects (youth, women, people with disabilities and military veterans) 	<ul style="list-style-type: none"> - CETA accreditation certificate - Participant attendance registers - Home builders training curriculum 	<p>The HCPMA legislates the protection of housing consumers and prescribes the training of home builders</p> <p>The NHBRC has the required technical skills to conduct the training</p> <p>Emerging home builders are willing and able to be trained</p>
Key result area 4	Legal Compliance and Enforcement	Legal Compliance and Enforcement	<ul style="list-style-type: none"> - The number of days it takes to action instructions as per the Notice of Non-Compliance is 5 working days. - The number of days it takes to suspend defaulting home builders from date of receipt of file is within 10 working days - The number of days it takes to prosecute defaulting home builders is 120 working days. 	<ul style="list-style-type: none"> - Enforcement Non-Compliance Notice. - Approved suspension memorandum by the Manager or 	<ul style="list-style-type: none"> - Housing Consumers Protection Measures Act, Act 95 of 1998, including its subordinate legislation; - Home builder and housing consumer education on the NHBRC mandate and the Act; <p>Other applicable regulatory and legislative framework.</p>

INTERVENTION MATRIX	OBJECTIVES	NARRATIVE SUMMARY	INDICATORS	MEANS OF VERIFICATION	STRATEGIC DRIVERS
			<ul style="list-style-type: none"> – The number of days it takes to issue instructions for interdicts to Attorneys is 3 working days 	<ul style="list-style-type: none"> any delegated person. - Summons or DC Roll. - Instruction Letters or Interdict Register 	
Key results area 5	Legal Compliance and Enforcement	Legal Compliance and Enforcement	<ul style="list-style-type: none"> – The number of days it takes to action instructions as per the Notice of Non-Compliance is 5 working days. – The number of days it takes to suspend defaulting home builders from date of receipt of file is within 10 working days – The number of days it takes to prosecute defaulting home builders is 120 working days. – The number of days it takes to issue instructions for interdicts to Attorneys is 3 working days% implementation of the annual compliance plan 	<ul style="list-style-type: none"> - Enforcement Non-Compliance Notice. - Approved suspension memorandum by the Manager or any delegated person. - Summons or DC Roll. - Instruction Letters or Interdict Register 	<ul style="list-style-type: none"> - Housing Consumers Protection Measures Act, Act 95 of 1998, including its subordinate legislation; - Internal and external stakeholders (e.g. home builder and housing consumers) understanding and education on the NHBRC mandate and the Act; <p>Other applicable regulatory and legislative framework.</p>
Key result area 6	Stakeholder	Stakeholder	- % execution of organisational reputational strategy	Stakeholder perception survey reports	The HCPMA requires a continuous process of housing consumer education Marketing and branding resources are in place
Key result area 7	Human Capital	Human Capital	- Number of workforce to be trained	Perception survey results Change management report Report on sick leave from BI report	The HCPMA requires a continuous process of housing consumer education Marketing and branding resources are in place

INTERVENTION MATRIX	OBJECTIVES	NARRATIVE SUMMARY	INDICATORS	MEANS OF VERIFICATION	STRATEGIC DRIVERS
Key result area 8	Business Management Solutions	Business Management Solutions	-Maintenance of ICT uptime	BI reports	The HCPMA requires a continuous process of housing consumer education Marketing and branding resources are in place
Key result area 9	Communications	Communications	-% execution of plans against the strategy - % execution of organisational reputational strategy	Reputation management survey	The HCPMA requires a continuous process of housing consumer education Marketing and branding resources are in place

STRATEGIES AND ACTIVITIES TO ACHIEVE RESULT AREAS		
KEY RESULT AREA	INTERVENTION	MAIN ACTIVITIES TO ACHIEVE RESULT AREAS
Key result area 1	Revenue generation	<ul style="list-style-type: none"> Review and revise the NHBRC's product pricing model Diversify the NHBRC's product and service offerings Develop the NHBRC's sustainability model Reduce operational costs Improve customer service levels Diversify incentives and monitor investment advisors Reduce debtors collection days Market and brand the NHBRC Implement the risk-based insurance strategy Controllable expenditure exceeds revenue by 11% (1.11:1) Actual ROI > CPI B-BBEE spend > 51%
Key result area 2	Business Services (Technical Services, Inspections, Customer Services, Training and Development and Project Management Office)	<ul style="list-style-type: none"> Improve operations quality service levels Diversify and improve the NHBRC's product and service offerings Market the NHBRC brand Build the capacity of the NHBRC service centres Expand housing consumer education initiatives Research and respond to the NHBRC's stakeholder needs and issues Monitor customer satisfaction levels Develop and design best practice homebuilder training materials Identify and recruit trainees Conduct NHBRC homebuilder training Monitor and track the NHBRC graduate development Facilitate the provision of business opportunities for NHBRC graduates Develop an NHBRC quality assurance plan Institute quality assurance plan Monitor quality assurance output
Key result area 3	LCE division and Centre for Research and Housing Innovation and Corporate Services	<ul style="list-style-type: none"> Develop fit for purpose world-class IT and technical solutions Improve technical quality services Research and identify new and value-adding NHBRC products and services Acquire, embed and support the NHBRC's IT and technology systems and business processes Enter into strategic and value-adding industry partnerships

STRATEGIES AND ACTIVITIES TO ACHIEVE RESULT AREAS		
KEY RESULT AREA	INTERVENTION	MAIN ACTIVITIES TO ACHIEVE RESULT AREAS
		Develop the NHBRC's standards and brand Publish NHBRC solutions to assist with quality homebuilding standards Implement revised HCPMA Improve legal service delivery capacity Review and develop NHBRC human capital strategy Provide timely and high quality talent management and other HR solutions to support NHBRC business processes Improve and strengthen the NHBRC human capital skills base Review and develop NHBRC performance and business environment enhancing solutions Develop an NHBRC marketing and branding strategy and specification Develop and tender specification for a marketing and branding agency Implement marketing strategy Monitor brand value as a function of the marketing and branding strategy

QUARTERLY BREAKDOWNS**Registration of Home Builders**

Category	EC	FS	GP	KZN	LP	MP	NW	NC	WC	Total
Quarter 1	70	45	250	100	55	62	43	18	80	723
Quarter 2	70	45	250	100	55	64	43	18	80	725
Quarter 3	64	45	250	100	55	63	43	18	81	719
Quarter 4	66	45	250	100	55	61	41	16	84	718
Total	270	180	1000	400	220	250	170	70	325	2,885

Renewal of Home Builders

Category	EC	FS	GP	KZN	LP	MP	NW	NC	WC	Total
Quarter 1	272	113	1,150	382	275	350	225	55	404	3,226
Quarter 2	272	113	1,150	382	275	350	225	55	404	3,226
Quarter 3	274	111	1,150	381	275	350	225	55	404	3,225
Quarter 4	276	113	1,150	378	275	350	225	55	404	3,226
Total	1,094	450	4,600	1,523	1,100	1,400	900	220	1,616	12,903

Enrolment Non Subsidy homes

Category	EC	FS	GP	KZN	LP	MP	NW	NC	WC	Total
Quarter 1	378	125	7,750	630	300	675	375	50	2,250	12,533
Quarter 2	377	125	7,750	630	300	675	375	50	2,250	12,532
Quarter 3	377	125	7,750	630	300	675	375	50	2,250	12,532
Quarter 4	378	125	7,750	630	300	675	375	50	2,250	12,533
Total	1,510	500	31,000	2,520	1,200	2,700	1,500	200	9,000	50,130

Inspection of non-subsidy homes

Category	EC	FS	GP	KZN	LP	MP	NW	NC	WC	Total
Quarter 1	378	125	7,750	630	300	675	375	50	2,250	12,533
Quarter 2	377	125	7,750	630	300	675	375	50	2,250	12,532
Quarter 3	377	125	7,750	630	300	675	375	50	2,250	12,532
Quarter 4	378	125	7,750	630	300	675	375	50	2,250	12,533
Total	1,510	500	31,000	2,520	1,200	2,700	1,500	200	9,000	50,130

Inspection of subsidy homes

Category	EC	FS	GP	KZN	LP	MP	NC	NW	WC	Total
Quarter 1	2 293	1 290	4 600	4 700	1 456	1 527	403	2 590	3 083	21 942
Quarter 2	2 293	1 324	4 050	4 400	1 456	1 527	403	2 590	3 083	21 126
Quarter 3	765	435	3 800	2 500	485	509	134	864	1 027	10 519
Quarter 4	2 293	1 240	4 800	4 400	1 456	1 527	403	2 590	3 083	21 792
Total	7 644	4 289	17 250	16 000	4 853	5 090	1 343	8 634	10 276	75 379

Subsidy Home Enrolments

Category	EC	FS	GP	KZN	LP	MP	NW	NC	WC	Total
Quarter 1	1,581	575	4,603	3,318	2,438	1,035	1,437	287	2,726	18,000
Quarter 2	1,375	500	3,200	2,205	2,120	900	1,100	250	1,350	13,000
Quarter 3	1,375	500	2,698	1,037	2,120	900	1,250	250	1,370	11,500
Quarter 4	1,719	625	5,487	4,670	2,650	1,124	1,563	313	2,963	21,114
Total	6,050	2,200	15,988	11,230	9,328	3,959	5,350	1,100	8,409	63,614

Home builders to be Trained

Category	EC	FS	GP	KZN	LP	MP	NW	NC	WC	Total
Quarter 1	52	52	58	52	52	52	52	52	58	480
Quarter 2	80	80	80	80	80	80	80	80	80	720
Quarter 3	80	80	80	80	80	80	80	80	80	720
Quarter 4	52	52	58	52	52	52	52	52	58	480
Total	264	264	276	264	264	264	264	264	276	2,400

Youth to be Trained

Category	EC	FS	GP	KZN	LP	MP	NW	NC	WC	Total
Quarter 1	40	40	60	60	40	40	40	40	40	400
Quarter 2	60	60	90	90	60	60	60	60	60	600
Quarter 3	60	60	90	90	60	60	60	60	60	600
Quarter 4	40	40	60	60	40	40	40	40	40	400

Total	200	200	300	300	200	200	200	200	200	2,000
-------	-----	-----	-----	-----	-----	-----	-----	-----	-----	-------

Training of Women

Category	EC	FS	GP	KZN	LP	MP	NW	NC	WC	Total
Quarter 1	45	45	45	45	45	45	45	45	45	405
Quarter 2	65	65	65	65	65	65	65	65	65	585
Quarter 3	65	65	65	65	65	65	65	65	65	585
Quarter 4	45	45	45	45	45	45	45	45	45	405
Total	220	220	220	220	220	220	220	220	220	1,980

Military Veterans to be trained

	EC	FS	GP	KZN	LP	MP	NW	NC	WC	Total
Quarter 1	10	5	10	10	5	10	10	5	10	75
Quarter 2	10	5	10	10	5	10	10	5	10	75
Quarter 3	10	5	10	10	5	10	10	5	10	75
Quarter 4	10	5	10	10	5	10	10	5	10	75
Total	40	20	40	40	20	40	40	20	40	300

Training of People with Disabilities

Category	EC	FS	GP	KZN	LP	MP	NW	NC	WC	Total
Quarter 1	8	8	13	8	8	8	8	8	8	77
Quarter 2	12	12	12	12	12	12	12	12	12	108
Quarter 3	12	12	12	12	12	12	12	12	12	108
Quarter 4	8	8	8	8	8	8	8	8	8	72
Total	40	40	45	40	40	40	40	40	40	365

Technical Professionals to be trained

Category	EC	FS	GP	KZN	LP	MP	NW	NC	WC	Total
Quarter 1	15	10	25	25	26	10	10	8	10	139
Quarter 2	26	20	40	40	30	15	15	8	15	209
Quarter 3	26	20	40	40	30	15	15	8	15	209
Quarter 4	15	10	25	25	25	10	10	8	10	138
Total	82	60	130	130	111	50	50	32	50	695

Artisans to be trained

Category	EC	FS	GP	KZN	LP	MP	NW	NC	WC	Total
Quarter 1	10	10	15	10	10	10	10	10	15	100
Quarter 2	10	10	15	10	10	10	10	10	15	100
Quarter 3	20	20	30	20	20	20	20	20	30	200
Quarter 4	10	10	15	10	10	10	10	10	15	100
Total	50	50	75	50	50	50	50	50	75	500

Table 7. MTSF targets

Program performance Indicator	Audited performance				Estimated Performance	Projected Performance
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
% maintenance of Network availability	Achieved 99% uptime of ICT systems	99% of uptime was achieved.	99% uptime of ICT System	99.81% maintenance of critical ICT services	Achieve 99% uptime of ICT infrastructure(SAP, network and exchange(email))	Achieve 99% maintenance of Network availability
% maintenance of SAP system availability	Not applicable	Not applicable	Not applicable	100% stabilization and enhancement of the core business system (SAP)	100 % stabilisation and enhancement of the core business system (SAP)	99% maintenance of SAP system availability
% Implementation of Human Capital Plan	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	100% Implementation of Human Capital Plan
% Implementation of Facilities Management Plan	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	100% Implementation of Facilities Management Plan
% Implementation of Policy Management Plan	Not applicable	Not applicable	Not applicable	26 policies developed	Not applicable	100% Implementation of Policy Management Plan
Operating surplus > Budget	Not applicable	Actual net profit < budget by R94m	Not applicable	Operating profit > Budget	Operating profit > Budget	Operating surplus > Budget
BEE spend	58% spent on BEE	BEE Spend 59%	BEE Spend 61%	BEE Spend 65%	BEE Spend (51%)	Achieve BEE spend of 65%
Number of days within which suppliers are paid	Not applicable	Suppliers paid within 37days	Not applicable	Suppliers paid within 17 days	Suppliers paid within 30 days	Suppliers paid within 30 days
Number of home builders to be registered	4, 257 home builders registered.	4,384 home builders registered	4,879 home builders registered	3,435 home builders registered	3,518 home builders to be registered	2,885 home builders to be registered
Number of home builders to renew their registrations.	11,155 home builders renewed their registration	12,602 home builders renewed their registration	13,343 home builders renewed their registration	13,832 home builders renewed their registration	12,919 home builders to renew their registration	12,903 home builders to renew their registration
Number of home enrolments Non-Subsidy	51,149 non-subsidy homes enrolled	49,612 homes enrolled in the non-	51,990 homes enrolled in the non-	56,506 homes enrolled in the non-	50,485 homes to be enrolled in the non-	50,130 homes to be enrolled in the non-subsidy sector
Number of homes inspected in the non-subsidy sector	120,361 homes inspected in the non-subsidy	111,368 homes inspected in the non-subsidy sector	113,379 homes inspected in the non-subsidy sector	75,176 inspections conducted in the non-subsidy sector	50,485 inspections to be conducted in the non-subsidy sector	50,130 homes inspected in the non-subsidy sector
Number of homes inspected in the subsidy sector	Not applicable	111,387 homes were inspected in the Subsidy sector.	94,528 homes were inspected in the Subsidy Sector	83,369 homes were inspected in the Subsidy sector.	112,179 homes to be inspected in the Subsidy sector	75,379 inspections to be conducted in the subsidy sector
% of prosecutable matters suspended within 10 working days of receipt of instruction by Paralegal	60% of homebuilders suspended within 14 days of receipt of file by paralegal	34% of relevant homebuilders suspended within 14 days from date of receipt of file	84% of prosecutable matters suspended within 14 days of receipt of instruction by paralegal	7 days taken to suspend defaulting homebuilders	80% of home builders suspended on prosecutable matters	80% of prosecutable matters suspended within 10 working days of receipt of instruction by Paralegal
% of prosecutable matters set down for hearing before the DC within 120 working days from date of suspension	81% of homebuilders disciplined within 160 days from date of suspension	55% of homebuilders prosecuted within 160 days from date of suspension	49% of prosecutable matters presented before DC Committee within 160 days from date of suspension	95 days taken to prosecute defaulting homebuilders	100% of prosecutable matters set down for hearing before Disciplinary Committee.	80% of prosecutable matters set down for hearing before the DC within 120 working days from date of suspension or

Program performance Indicator	Audited performance				Estimated Performance	Projected Performance
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
OR from date of receipt of instruction						from date of receipt of instruction
Conduct a study on the impact of NHBRC builders training within the home built environment	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Conduct a study on the impact of NHBRC builders training within the home built environment
% completion of a design of a green edge rated IBT house	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	50% completion of a design of a green edge rated IBT house
Number of home builders to be trained	2,629 homebuilders trained	2,463 homebuilders trained	1,739 homebuilders trained	2,357 homebuilders trained	2,000 homebuilders to be trained	2,400 homebuilders to be trained
Number of Youth to be trained	1,184 Youth trained	1,623 Youth trained	2,638 Youth trained	2,946 Youth trained	2,000 Youth to be trained	2,000 Youth to be trained
Number of Women to be trained	Not applicable	279 Women trained	1,139 Women trained	1,880 Women trained	1,800 Women to be trained	1,980 Women to be trained
Number of Military Veterans to be trained	Not applicable	111 Military Veterans trained	503 Military Veterans trained	442 Military Veterans trained	450 Military Veterans to be trained	300 Military Veterans to be trained
Number of people with disabilities to be trained	Not applicable	34 people with disabilities trained	229 people with disabilities trained	365 people with disabilities trained	300 people with disabilities to be trained	365 people with disabilities to be trained
Number of Technical prof to be trained	Not applicable	310 Technical professionals trained	607 Technical professionals trained	587 Technical professionals trained	500 Technical professionals to be trained	695 Technical professionals to be trained
Number of Artisans to be trained	Not applicable	256 Artisans trained	764 Artisans trained	766 Artisans trained	400 Artisans to be trained	500 Artisans to be trained
Number of homes to be enrolled in the subsidy sector	168,753 home enrolments conducted in the Subsidy sector	77,004 subsidy homes enrolled	74,149 home enrolments conducted in the Subsidy sector	66,691 subsidy homes enrolled	112,179 subsidy homes to be enrolled	63,614 to be enrolled in the subsidy sector
Number of home enrolments in the Non-Subsidy	51,149 non-subsidy homes enrolled	49,612 homes enrolled in the non-	51,990 homes enrolled in the non-	56,506 homes enrolled in the non-	50,485 homes to be enrolled in the non-	50,130 homes to be enrolled in the non-subsidy sector
% implementation of Communication Plan	Not applicable	Not applicable	Not applicable	Not applicable	9 housing consumer stakeholder sessions held at provinces	100% implementation of Communication Plan

Table 8. Budget 2019/2020 financial year

NATIONAL HOME BUILDERS REGISTRATION COUNCIL
PROPOSED ANNUAL BUDGET
FOR THE FINANCIAL YEAR 2019/20 to 2022/23

NATIONAL HOME BUILDERS REGISTRATION COUNCIL
DRAFT BUDGETED STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDING 31 MARCH 2020 TO 31 MARCH 2023

	2014 - 2015	2015 - 2016	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022-2023
	Audited	Audited	Audited	Audited	Approved	Proposed	Proposed	Proposed	Proposed
Description	Actual	Actual	Actual	Actual	Budget	Budget	Budget	Budget	Budget
Revenue	806,623,185	867,752,370	844,256,813	838,739,270	913,097,896	963,318,280	1,016,300,786	1,072,197,329	
Fees revenue	42,311,370	32,865,444	43,458,923	21,050,970	32,008,653	33,769,129	35,626,431	37,585,885	
Reg - Administration	6,081,406	4,918,961	3,123,790	2,314,844	2,006,900	2,117,280	2,233,730	2,356,585	
Reg - Annual	2,834,407	2,263,130	1,294,554	1,851,594	1,605,276	1,693,566	1,786,712	1,884,981	
Reg - Annual Renewals	5,638,857	8,216,037	9,923,722	6,799,593	6,283,208	6,628,785	6,993,368	7,378,003	
Project Enrolment	26,218,471	15,606,399	26,620,567	8,766,640	19,547,996	20,623,136	21,757,408	22,954,066	
Reg - Builders Manual	571,934	998,734	1,586,025	-	-	-	-	-	
Late Enrolment Fees	397,172	437,926	518,064	1,009,700	1,062,207	1,120,628	1,182,263	1,247,287	
Document sales	569,122	424,258	392,201	308,599	1,503,066	1,585,735	1,672,950	1,764,962	
Non Subsidy Enrolment Fees	548,866,735	596,753,265	655,563,715	547,818,089	680,610,280	718,043,845	757,536,257	799,200,751	
Speculative	315,300,637	275,625,452	341,518,557	258,068,419	340,227,877	358,940,410	378,682,133	399,509,650	
Cluster Sectional Title	233,234,409	321,127,813	314,045,158	289,749,669	340,382,403	359,103,435	378,854,124	399,691,101	
Subsidy enrolment fees	156,913,875	190,076,577	132,486,380	244,870,212	175,278,963	184,919,306	195,089,868	205,819,811	
Home Enrolment (0.75%)	91,739,568	190,076,577	132,486,380	14,997,768	20,763,730	21,905,736	23,110,551	24,381,631	
Consolidation (2.1%)	65,174,307	-	-	229,872,444	154,515,233	163,013,570	171,979,317	181,438,179	
Other Revenue	2,167,677	3,367,078	5,602,290	2,000,000	2,100,000	2,215,500	2,337,353	2,465,907	
Legal DC Penalty	1,254,000	1,980,337	858,135	2,000,000	2,100,000	2,215,500	2,337,353	2,465,907	
Sundry Income	1,175,625	1,418,964	4,744,155	-	-	-	-	-	
Inspector Training	-214,396	-	-	-	-	-	-	-	
SPONSORSHIP - GOLF DAY	-47,553	-32,222	-	-	-	-	-	-	
Technical Services Revenue	56,363,529	44,690,006	7,145,505	23,000,000	23,100,000	24,370,500	25,710,878	27,124,976	
Technical Service	23,749,838	15,255,210	5,206,050	-	-	-	-	-	
Geotechnical	19,814,700	2,708,100	-	6,000,000	6,000,000	6,330,000	6,678,150	7,045,448	
Forensic Assessment	12,777,390	25,363,496	1,939,455	10,000,000	10,000,000	10,550,000	11,130,250	11,742,414	
Testing Services	21,600	1,363,200	-	7,000,000	7,100,000	7,490,500	7,902,478	8,337,114	
Total Revenue	806,623,185	867,752,370	844,256,813	838,739,270	913,097,896	963,318,280	1,016,300,786	1,072,197,329	

	2014 - 2015	2015 - 2016	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022-2023
Description	Audited	Audited	Audited	Approved	Proposed	Proposed	Proposed	Proposed	Proposed
	Actual	Actual	Actual	Budget	Budget	Budget	Budget	Budget	Budget
Operating Expenses	65,380,270	87,589,760	20,649,473	18,681,853	27,146,036	28,639,068	30,214,217	31,875,999	
Accreditation Fees	1,217,135	1,353,548	661,252	1,359,431	1,482,930	1,564,491	1,650,538	1,741,318	
Direct Cost of Builders Manuals	3,045,919	1,136,378	1,415,279	226,997	188,370	198,730	209,661	221,192	
Outstanding claims provision	5,309,754	9,024,807	13,295,901	7,950,000	9,200,000	9,706,000	10,239,830	10,803,021	
Direct Cost of Certificates	-	683,285	444,714	345,425	274,736	289,846	305,788	322,606	
Technical Services	55,807,461	75,391,742	4,832,327	8,800,000	16,000,000	16,880,000	17,808,400	18,787,862	
General & Administration	10,597,134	5,938,604	11,322,060	8,935,147	9,092,058	9,592,121	10,119,688	10,676,270	
Motor Vehicle Expenses	318,408	360,565	354,176	456,500	262,000	276,410	291,613	307,651	
Office Equipment Expenses (printers lease)	8,015,458	4,095,149	6,036,740	3,581,147	3,490,058	3,682,011	3,884,522	4,098,170	
Mobile Office Expenses		923,400	4,719,600	3,800,000	4,000,000	4,220,000	4,452,100	4,696,966	
Office Furniture Expenses	62,738	398,927	37,568	597,500	840,000	886,200	934,941	986,363	
Generator/ UPS Expenses	2,200,530	160,563	173,977	500,000	500,000	527,500	556,513	587,121	
Council Related Costs	6,503,760	10,356,478	9,069,191	10,927,800	10,745,200	11,336,186	11,959,676	12,617,458	
Council Remuneration	3,839,224	5,675,123	5,259,004	5,236,800	5,382,900	5,678,960	5,991,302	6,320,824	
Disciplinary Committee costs	2,664,535	4,681,354	3,810,187	5,691,000	5,362,300	5,657,227	5,968,374	6,296,635	
Permanent Staff Costs	411,431,667	426,443,643	453,805,821	482,433,317	524,523,456	553,372,246	583,807,720	615,917,144	
Permanent Staff : Salary	328,247,523	310,432,663	329,433,820	409,746,197	443,263,077	467,642,547	493,362,887	520,497,845	
Permanent Staff : Incentive Bonus	24,527,511	13,101,247	14,235,708	15,761,706	34,116,617	35,993,031	37,972,647	40,061,143	
Staff Costs - Allowances	39,897,496	42,798,222	83,330,390	31,420,069	22,676,749	23,923,970	25,239,789	26,627,977	
Other Employment Costs	6,740,902	40,615,055	11,347,299	20,015,345	15,217,013	16,053,948	16,936,916	17,868,446	
Temporary staff	12,018,235	19,496,455	15,458,605	5,490,000	9,250,000	9,758,750	10,295,481	10,861,733	
General Costs	188,691,616	164,612,063	161,940,238	157,442,860	175,415,138	185,062,970	195,241,433	205,979,712	
Insurance Paid	1,631,786	1,794,900	1,175,926	1,800,000	2,000,000	2,110,000	2,226,050	2,348,483	
Information Technology	22,437,730	30,142,922	41,716,143	31,000,000	30,241,585	31,904,872	33,659,640	35,510,920	
Legal Fees	14,819,419	3,203,848	9,582,773	7,000,000	12,000,000	12,660,000	13,356,300	14,090,897	
Marketing Fees	17,769,921	23,207,711	8,043,047	22,000,000	23,712,125	25,016,292	26,392,188	27,843,758	
Telephone Expenses	35,737,621	21,096,550	17,363,725	22,107,524	25,982,600	27,411,643	28,919,283	30,509,844	
Travelling Expenses	57,906,910	48,163,812	44,967,478	44,091,434	48,226,924	50,879,405	53,677,772	56,630,050	
Training for Emerging	10,230,582	5,814,279	8,499,625	-	-	-	-	-	
Training and Development Staff	19,680,636	5,834,157	4,021,802	5,539,898	3,704,903	3,908,673	4,123,650	4,350,451	
Training - Youth, Women & Veterans	-	19,354,066	17,313,021	15,000,000	20,600,000	21,733,000	22,928,315	24,189,372	
Audit Fees	5,236,785	2,316,116	5,475,634	5,530,000	5,500,000	5,802,500	6,121,638	6,458,328	
General Office costs(Unifrom,Grocery)	3,240,226	3,683,702	3,781,063	3,374,004	3,447,000	3,636,585	3,836,597	4,047,610	

	2014 - 2015	2015 - 2016	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022-2023
Description	Audited Actual	Audited Actual	Audited Actual	Approved Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget
Other Expenses	67,894,397	84,033,060	66,917,476	71,753,759	78,615,950	82,939,827	87,501,518	92,314,101	
Bank Charges	2,210,499	2,813,152	2,975,976	2,900,000	3,000,000	3,165,000	3,339,075	3,522,724	
Provision for doubtful debts	1,382,472	24,435,302	17,909,896	-	-	-	-	-	
Cleaning	1,467,153	1,667,551	1,834,182	1,863,205	2,590,000	2,732,450	2,882,735	3,041,285	
Relocation cost	-	-	-	1,267,780	1,680,000	1,772,400	1,869,882	1,972,726	
New employees take over contract	-	67,750	-	300,000	200,000	211,000	222,605	234,848	
Catering: Internal Activities	-	-	-	2,030,000	1,769,000	1,866,295	1,968,941	2,077,233	
Conferences and Seminars	2,003,118	4,313,255	4,333,570	2,500,000	2,550,700	2,690,989	2,838,993	2,995,137	
Venues and facilities	-	-	-	1,500,000	2,645,000	2,790,475	2,943,951	3,105,868	
Consulting Fees	26,159,354	19,132,764	9,821,295	18,000,000	18,730,000	19,760,150	20,846,958	21,993,541	
Courier & Freight	1,065,257	575,445	495,206	1,375,000	885,000	933,675	985,027	1,039,204	
PE - Electricity & Water	2,999,680	4,696,490	4,373,951	5,000,000	5,299,000	5,590,445	5,897,919	6,222,305	
Entertainment Expenses	181,413	57,948	5,413	94,000	2,000	2,110	2,226	2,348	
Fines and Penalties	-	10,531	4,390	-	-	-	-	-	
Flowers & Gifts	143,889	70,390	162,380	188,150	187,750	198,076	208,970	220,464	
PE - Rates & Taxes	1,254,374	801,987	825,901	1,237,500	1,429,000	1,507,595	1,590,513	1,677,991	
PE - Rent of Premises	13,902,699	13,538,420	12,132,563	17,664,317	20,728,000	21,868,040	23,070,782	24,339,675	
PE - Repair & Maintenance	1,270,192	480,470	456,133	845,000	960,000	1,012,800	1,068,504	1,127,272	
Postage	84,419	644,925	203,449	128,600	525,500	554,403	584,895	617,064	
Printing	4,654,561	1,540,463	2,138,408	1,266,500	1,592,500	1,680,088	1,772,492	1,869,979	
Security	5,434,843	4,764,322	3,035,484	5,500,000	4,932,000	5,203,260	5,489,439	5,791,358	
Special Projects	67,920	396,353	-	1,000,000	500,000	527,500	556,513	587,121	
PE - Plant Expenses	184,822	224,024	138,860	304,000	375,000	395,625	417,384	440,341	
Stationery	785,901	2,400,520	2,223,680	1,338,500	1,938,500	2,045,118	2,157,599	2,276,267	
Subscriptions	436,517	480,570	619,951	653,000	648,000	683,640	721,240	760,908	
Rounding Differences / Minor Ad	-7,635	10,034	-	-	-	-	-	-	
Office Refurbishment	1,608,712	207,328	263,687	1,580,000	2,140,000	2,257,700	2,381,874	2,512,877	
Other Costs - Rental of Premises	-	400,393	1,586,004	1,612,707	1,789,000	1,887,395	1,991,202	2,100,718	
Off-site Archiving	213,992	289,314	1,365,119	1,605,500	1,520,000	1,603,600	1,691,798	1,784,847	
Interst Paid	30,690	13,359	11,978	-	-	-	-	-	
EXPENSES	750,498,843	778,973,608	723,704,259	750,174,736	825,537,838	870,942,419	918,844,252	969,380,685	

Description	2014 - 2015 Audited Actual	2015 - 2016 Audited Actual	2016 - 2017 Audited Actual	2017 - 2018 Audited Actual	2018 - 2019 Approved Budget	2019 - 2020 Proposed Budget	2020 - 2021 Proposed Budget	2021 - 2022 Proposed Budget	2022-2023 Proposed Budget
Profit from operating activities before amortisation, depreciation And Research and Training	56,124,342	88,778,763	120,552,555	88,564,534	87,560,059	92,375,862	97,456,534	102,816,644	
DEPRECIATION AND AMORTIZATION	15,114,156	23,369,546	23,849,690	23,406,623	26,013,195	27,443,920	28,953,336	30,545,769	
Amortization	5,918,642	14,949,964	15,238,120	14,229,429	15,500,000	16,352,500	17,251,888	18,200,742	
Depreciation	9,195,514	8,419,583	8,611,544	9,177,194	10,513,194	11,091,420	11,701,448	12,345,028	
Operating Profit after amortisation, depreciation	41,010,186	65,409,216	96,702,865	65,157,911	61,546,864	64,931,941	68,503,198	72,270,874	
Actuarial adjustment	(5,507,717)	11,668,148	(69,269,227)	(34,980,000)	-	-	-	-	
Change in unearned premium provision	-52,020,978	-72,106,845	(133,336,797)	(34,980,000)	-	-	-	-	
Change in unexpired risk provision	46,513,261	83,774,993	64,067,570	-	-	-	-	-	
Operating Profit after actuarial adjustment	35,502,469	77,077,364	27,433,638	30,177,911	61,546,864	64,931,941	68,503,198	72,270,874	
Research & Development	126,000	156,362	770,147	7,500,000	10,000,000	10,550,000	11,130,250	11,742,414	
Profit from operating activities before inspection & Interns	35,376,469	76,921,002	26,663,491	22,677,911	51,546,864	54,381,941	57,372,948	60,528,460	
INSPECTION AND INTERNS	(9,712)	-	-	12,645,346	4,000,000	4,220,000	4,452,100	4,696,966	
Inspection Fees - outsourced services	-9,712	-	-	10,000,000	-	-	-	-	
Social Transformation (Interns)	-	-	-	2,645,346	4,000,000	4,220,000	4,452,100	4,696,966	
Profit from operating activities	35,386,181	76,921,002	26,663,491	10,032,565	47,546,864	50,161,941	52,920,848	55,831,495	
Interest Received	214,916,026	411,372,298	592,698,386	413,031,533	474,682,764	500,790,316	528,333,784	557,392,142	
Interest Received	324,536,254	356,151,952	391,750,017	294,123,571	421,131,268	444,293,487	468,729,629	494,509,759	
Dividend income	12,456,510	13,445,116	13,766,575	11,236,000	14,454,904	15,249,923	16,088,669	16,973,546	
Realized (Gain)/ loss	-114,337,285	51,154,861	197,549,213	119,101,600	51,154,861	53,968,378	56,936,639	60,068,154	
Asset management service fees	-7,739,453	-9,379,631	(10,367,419)	(11,429,638)	(12,058,268)	(12,721,473)	(13,421,154)	(14,159,317)	
Surplus/ (Deficit)	250,302,207	488,293,300	619,361,877	423,064,098	522,229,628	550,952,258	581,254,632	613,223,637	

NATIONAL HOME BUILDERS REGISTRATION COUNCIL
BUDGETED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2020 TO 31 MARCH 2023

		2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
			Actual	Budget	Budget	Budget	Budget	Budget
Notes		R	R	R	R	R	R	R
ASSETS								
Non-current assets		5,800,181,145	6,388,081,181	6,800,504,482	7,451,928,214	8,009,589,909	8,573,892,401	8,975,590,210
Property, plant and equipment	1	97,606,013	93,087,014	193,344,291	237,285,374	239,779,283	241,804,005	-
Intangible Asset	2	101,952,148	86,215,158	71,985,729	75,485,729	65,133,228	53,881,341	36,629,453
Investments	3	5,600,622,985	6,208,779,009	6,535,174,461	7,139,157,111	7,704,677,399	8,278,207,057	8,938,960,758
Current assets		263,389,770	358,504,027	347,955,999	253,514,238	275,281,917	333,046,271	348,924,229
Inventories		13,180,138	13,158,232	11,158,232	9,158,232	7,158,232	7,587,726	7,587,726
Accounts receivables	4	45,289,074	14,295,701	13,248,044	12,488,374	37,582,279	79,941,118	79,941,118
Cash and cash equivalents	5	204,920,558	331,050,094	323,549,722	231,867,632	230,541,406	245,517,427	261,395,384
		6,063,570,915	6,746,585,208	7,148,460,480	7,705,442,452	8,284,871,826	8,906,938,673	9,324,514,439
EQUITY AND LIABILITIES								
Reserves		4,556,465,057	5,175,826,961	5,598,891,032	6,121,120,660	6,672,072,918	7,253,327,550	7,866,551,187
Accumulated Surplus		4,531,272,035	5,159,133,564	5,556,394,069	6,085,515,932	6,613,739,497	7,202,665,358	7,793,982,142
Emerging contractor Reserves		25,193,022	16,693,397	42,496,963	35,604,728	58,333,421	50,662,192	72,569,045
Current liabilities		150,759,537	141,283,507	98,131,401	112,485,298	118,473,630	124,781,476	124,781,476
Accounts payable	6	126,049,737	125,015,267	96,747,063	111,017,900	116,918,188	123,132,707	123,132,707
Provisions	7	24,709,800	16,268,241	1,384,338	1,467,398	1,555,442	1,648,768	1,648,768
Technical liabilities		1,356,346,321	1,429,474,739	1,451,438,047	1,471,836,494	1,494,325,279	1,528,829,648	1,576,513,167
Provision for outstanding claims		47,318,683	51,177,873	54,248,545	57,232,215	60,379,987	63,700,886	63,700,886
Provision for unearned premium		948,107,239	1,081,444,036	1,082,525,502	1,082,633,759	1,083,716,393	1,095,637,273	1,143,320,795
Provision for unexpired risk		360,920,400	296,852,830	314,664,000	331,970,520	350,228,898	369,491,488	369,491,486
		6,063,570,915	6,746,585,208	7,148,460,479	7,705,442,452	8,284,871,827	8,906,938,673	9,567,845,829

**NATIONAL HOME BUILDERS REGISTRATION COUNCIL
BUDGETED STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDING 31 MARCH 2019 TO 31 MARCH 2023**

	Accumulated Surplus	Emerging Contractor Reserve	Total
	R	R	R
Balance at 2016/2017	4,531,272,035	25,193,022	4,556,465,057
Net surplus for the period	619,361,877		619,361,877
Transfer to reserve			-
Utilised	6,163,136	(6,163,136)	-
Balance at 2017/2018	5,156,797,047	19,029,887	5,175,826,934
Net surplus for the period	423,064,098		423,064,098
Transfer to reserve	(30,000,000)	30,000,000	-
Utilised	6,532,924	(6,532,924)	-
Balance at 2018/2019	5,556,394,069	42,496,963	5,598,891,032
Net surplus for the period	522,229,628		522,229,628
Transfer to reserve		-	-
Utilised	6,892,235	(6,892,235)	-
Balance at 2019/2020	6,085,515,932	35,604,728	6,121,120,660
Net surplus for the period	550,952,258		550,952,258
Transfer to reserve	(30,000,000)	30,000,000	-
Utilised	7,271,307	(7,271,307)	-
Balance at 2020/2021	6,613,739,497	58,333,421	6,672,072,918
Net surplus for the period	581,254,632		581,254,632
Transfer to reserve	-	-	-
Utilised	7,671,229	(7,671,229)	-
Balance at 2021/2022	7,202,665,358	50,662,192	7,253,327,550
Net surplus for the period	613,223,637		613,223,637
Transfer to reserve	(30,000,000)	30,000,000	-
Utilised	8,093,147	(8,093,147)	-
Balance at 2022/2023	7,793,982,142	72,569,045	7,866,551,187

NATIONAL HOME BUILDERS REGISTRATION COUNCIL
BUDGETED CASH FLOW STATEMENT
FOR THE YEAR ENDING 31 MARCH 2020 TO 31 MARCH 2023

		2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
	Note	R	Actual R	Budget R	Budget R	Budget R	Budget R	Budget R
Cash generated from operations	8	17,284,417	157,062,399	60,278,797	124,822,932	97,668,429	113,642,133	130,985,609
Interest Paid		-13,359	11,978	-	-	-	-	-
Interest Received		9,400,281	12,970,552	13,619,080	14,300,034	15,015,035	15,915,937	16,870,894
Cash flow from operating activities		26,671,339	170,044,929	73,897,878	139,122,966	112,683,464	129,558,070	147,856,503
Investing activities								
Additions to property, plant and equipment		(3,664,629)	-4,746,560	(108,890,000)	(108,890,000)	(12,000,000)	(12,000,000)	(12,000,000)
Additions to intangible asset		-35,162,277	-	-	-19,000,000	-6,000,000	-	-
Purchase of financial assets		(62,429,446)	-29,732,122	-	-92,211,703	-84,610,620	-90,442,039	-92,073,414
Proceeds on sale of financial assets		35,807,054	-	37,541,846	-	-	-	-
Cash flow from investing activities		(65,449,297)	-34,478,683	(71,348,154)	-220,101,703	(102,610,620)	-102,442,039	(104,073,414)
Cash flow from financing activities								
Claims paid		(8,160,757)	-9,436,710	(10,050,096)	(10,703,352)	(11,399,070)	(12,140,010)	(12,929,111)
Net decrease in cash and cash equivalents		(46,938,715)	126,129,536	(7,500,373)	(91,682,090)	(1,326,226)	14,976,022	30,853,978
Cash and cash equivalents at beginning of year		251,859,273	204,920,558	331,050,094	323,549,722	231,867,632	230,541,405	230,541,405
Cash and cash equivalents at the end of the year		204,920,558	331,050,094	323,549,722	231,867,632	230,541,405	245,517,427	261,395,383

**NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE BUDGETED FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 MARCH 2020 TO 31 MARCH 2024**

1 Property, plant and equipment

	Computer equipment R	Office furniture and equipment R	Motor vehicles R	Land and Buildings R	Land and Buildings R	Total R
Balance at 2016/2017						
Opening net carrying amount	13,746,725	12,683,580	409,033	17,751,947	57,769,683	102,360,970
Cost	24,509,389	23,092,292	1,169,898	17,751,947	75,746,282	142,269,808
Accumulated depreciation	(10,762,664)	(10,408,711)	(760,864)	-	(17,976,599)	(39,908,838)
Additions	2,939,613	725,016	-	-	-	3,664,629
Depreciation	(3,356,740)	(1,237,315)	(38,214)	-	(3,787,314)	(8,419,583)
Closing net carrying amount	10,389,985	11,446,266	248,132	17,751,947	57,769,683	97,606,013
Cost	24,509,389	23,092,292	1,169,897	17,751,947	75,746,282	142,269,807
Accumulated depreciation	(14,119,404)	(11,646,026)	(921,765)	-	(17,976,599)	(44,663,794)
Balance at 2017/2018						
Opening net carrying amount	10,389,985	11,446,266	248,132	17,751,948	57,769,683	97,606,013
Cost	24,509,389	23,092,292	1,169,897	17,751,948	75,746,282	142,269,808
Accumulated depreciation	(14,119,404)	(11,646,026)	(921,765)	-	(17,976,599)	(44,663,794)
Additions	1,729,517	1,928,103 #	1,088,940	-	-	4,746,560
Disposal	(376,766)	(257,250)	(20,000)	-	-	(654,016)
Depreciation	(2,999,924)	(1,734,466)	(89,840)	-	(3,787,314)	(8,611,544)
Closing net carrying amount	8,742,813	11,382,655	1,227,231	17,751,948	53,982,369	93,087,016
Cost	20,794,406	23,782,985	1,920,891	17,751,948	75,746,282	139,996,512
Accumulated depreciation	(12,051,593)	(12,400,330)	(693,660)	-	(21,763,913)	(46,909,496)

	Computer equipment R	Office furniture and equipment R	Motor vehicles R	Land and Buildings R	Land and Buildings R	Total R
Balance at 2018/2019						
Opening net carrying amount	8,742,813	11,382,655	1,227,231	17,751,948	53,982,369	93,087,017
Cost	20,794,406	23,782,985	1,920,891	17,751,948	75,746,282	139,996,512
Accumulated depreciation	(12,051,593)	(12,400,330)	(693,660)	-	(21,763,913)	(46,909,496)
Additions	20,180,000	38,710,000	-	-	50,000,000	108,890,000
Depreciation	(2,684,407)	(1,838,534)	(95,230)	-	(4,014,553)	(8,632,725)
Closing net carrying amount	26,238,406	48,254,121	1,132,001	17,751,948	99,967,816	193,344,291
Cost	40,974,406	62,492,985	1,920,891	17,751,948	125,746,282	248,886,512
Accumulated depreciation	(14,736,000)	(14,238,864)	(788,890)	-	(25,778,466)	(55,542,221)
Balance at 2019/2020						
Opening net carrying amount	26,238,406	48,254,121	1,132,001	17,751,948	99,967,816	193,344,291
Cost	40,974,406	62,492,985	1,920,891	17,751,948	125,746,282	248,886,512
Accumulated depreciation	(14,736,000)	(14,238,864)	(788,890)	-	(25,778,466)	(55,542,221)
Additions	3,000,000	5,000,000	-	-	45,000,000	53,000,000
Depreciation	(2,753,700)	(1,948,846)	(100,944)	-	(4,255,426)	(9,058,916)
Closing net carrying amount	26,484,706	51,305,274	1,031,056	17,751,948	140,712,390	237,285,374
Cost	43,974,406	67,492,985	1,920,891	17,751,948	170,746,282	301,886,512
Accumulated depreciation	(17,489,700)	(16,187,710)	(889,835)	-	(30,033,892)	(64,601,137)
Balance at 2020/2021						
Opening net carrying amount	26,484,706	51,305,275	1,031,056	17,751,948	140,712,390	237,285,375
Cost	43,974,406	67,492,985	1,920,891	17,751,948	170,746,282	301,886,512
Accumulated depreciation	(17,489,700)	(16,187,710)	(889,835)	-	(30,033,892)	(64,601,137)
Additions	5,000,000	7,000,000	-	-	-	12,000,000
Depreciation	(2,825,562)	(2,065,777)	(107,001)	-	(4,507,752)	(9,506,091)
Closing net carrying amount	28,659,144	56,239,497	924,055	17,751,948	136,204,639	239,779,283
Cost	48,974,406	74,492,985	1,920,891	17,751,948	170,746,282	313,886,512
Accumulated depreciation	(20,315,262)	(18,253,487)	(996,836)	-	(34,541,643)	(74,107,228)
Balance at 2021/2022						
Opening net carrying amount	28,659,144	56,239,498	924,055	17,751,948	136,204,639	239,779,284
Cost	48,974,406	74,492,985	1,920,891	17,751,948	170,746,282	313,886,512
Accumulated depreciation	(20,315,262)	(18,253,487)	(996,836)	-	(34,541,643)	(74,107,228)
Additions	5,000,000	7,000,000	-	-	-	12,000,000
Depreciation	(2,893,917)	(2,189,723)	(113,421)	-	(4,778,217)	(9,975,278)
Closing net carrying amount	30,765,227	61,049,774	810,635	17,751,948	131,426,422	241,804,005
Cost	53,974,406	81,492,985	1,920,891	17,751,948	170,746,282	325,886,512
Accumulated depreciation	(23,209,179)	(20,443,210)	(1,110,256)	-	(39,319,860)	(84,082,505)
Balance at 2022/2023						
Opening net carrying amount	30,765,227	61,049,775	810,635	17,751,948	131,426,422	241,804,006
Cost	53,974,406	81,492,985	1,920,891	17,751,948	170,746,282	325,886,512
Accumulated depreciation	(23,209,179)	(20,443,210)	(1,110,256)	-	(39,319,860)	(84,082,505)
Additions	5,000,000	7,000,000	-	-	-	12,000,000

**NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE BUDGETED FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 MARCH 2020 TO 31 MARCH 2023**

2 Intangible Asset

	Software development	Total
	R	R
Balance at 2016/2017		
Opening net carrying amount	117,058,064	117,058,064
Cost	176,014,412	176,014,412
Accumulated Amortisation	(58,956,348)	(58,956,348)
Additions	169,138	169,138
Disposal	(325,090)	(325,090)
Amortisation	(14,949,964)	(14,949,964)
Closing net carrying amount	101,952,148	101,952,148
Cost	175,858,460	175,858,460
Accumulated Amortisation	(73,906,312)	(73,906,312)
Balance at 2017/2018		
Opening net carrying amount	101,952,148	101,952,148
Cost	175,858,460	175,858,460
Accumulated Amortisation	(73,906,312)	(73,906,313)
Additions	-	-
Disposal	(53,951,688)	(53,951,688)
Amortisation on Disposals	53,452,817	53,452,817
Amortisation	(15,238,120)	(15,238,120)
Closing net carrying amount	86,215,158	86,215,158
Cost	121,906,772	121,906,773
Accumulated Amortisation	(35,691,614)	(35,691,614)
Balance at 2018/2019		
Opening net carrying amount	86,215,158	86,215,159
Cost	121,906,772	121,906,773
Accumulated Amortisation	(35,691,614)	(35,691,614)
Amortisation	(14,229,429)	(14,229,429)
Closing net carrying amount	71,985,729	71,985,729
Cost	121,906,772	121,906,773
Accumulated Amortisation	(49,921,043)	(49,921,043)

Balance at 2019/2020

Opening net carrying amount	71,985,729	71,985,729
Cost	121,906,772	121,906,773
Accumulated Amortisation	(49,921,043)	(49,921,043)
Additions	19,000,000	19,000,000
Amortisation	(15,500,000)	(15,500,000)
Closing net carrying amount	75,485,728	75,485,729
Cost	140,906,772	140,906,772
Accumulated Amortisation	(65,421,043)	(65,421,043)

Balance at 2020/2021

Opening net carrying amount	75,485,728	75,485,728
Cost	140,906,772	140,906,773
Accumulated Amortisation	(65,421,043)	(65,421,043)
Additions	6,000,000	6,000,000
Amortisation	(16,352,500)	(16,352,500)
Closing net carrying amount	65,133,228	65,133,228
Cost	146,906,772	146,906,772
Accumulated Amortisation	(81,773,543)	(81,773,543)

Balance at 2021/2022

Opening net carrying amount	65,133,228	65,133,228
Cost	146,906,772	146,906,773
Accumulated Amortisation	(81,773,543)	(81,773,543)
Additions	6,000,000	6,000,000
Amortisation	(17,251,888)	(17,251,888)
Closing net carrying amount	53,881,341	53,881,341
Cost	152,906,772	152,906,772
Accumulated Amortisation	(99,025,431)	(99,025,431)

Balance at 2022/2023

Opening net carrying amount	36,629,453	36,629,453
Cost	152,906,772	152,906,773
Accumulated Amortisation	(116,277,319)	(116,277,319)
Amortisation	26,000,000	26,000,000
Closing net carrying amount	62,629,453	62,629,453
Cost	178,906,772	178,906,772
Accumulated Amortisation	(116,277,319)	(116,277,319)

NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE BUDGETED FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDING 31 MARCH 2020 TO 31 MARCH 2024

	2016/2017 Actual	2017/2018 Actual	2018/2019 Budget	2019/2020 Budget	2020/2021 Budget	2021/2022 Budget	2022/2023 Budget
	R	R	R	R	R	R	R
3 Investment in securities							
Available-for-sale investments							
Opening balance	5,127,473,670	5,600,622,985	6,208,779,009	6,535,174,461	7,139,157,111	7,704,677,399	8,278,207,057
Interest received and Investment income	369,597,068	392,546,040 #	392,546,040	421,131,268 #	444,293,487	468,729,629	494,509,759
Administration fee	(9,379,631)	(10,367,419)	(11,429,638)	(12,058,268)	(12,721,473)	(13,421,154)	(14,159,317)
Fair value net gains/ (loss)	51,154,861	197,549,212	61,749,353	51,154,861	53,968,378	56,936,639	60,068,154
(Withdrawal) / Additions	61,777,017	28,428,190	(116,470,303)	143,754,790	79,979,895	61,284,543	120,335,106
	5,600,622,985	6,208,779,009	6,535,174,461	7,139,157,111	7,704,677,399	8,278,207,057	8,938,960,758
4 Accounts receivable							
Trade debtors	79,927,922	75,263,119	62,719,266	57,017,514 #	77,191,582	69,541,966	62,650,420
Provision for bad debts	(54,500,031)	(72,409,926)	(60,341,605)	(54,856,005)	(49,419,824)	-	-
Sundry debtors	19,861,184	11,442,509	10,870,384	10,326,864	9,810,521	10,399,152	11,023,102
	45,289,074	14,295,702	13,248,044	12,488,374	37,582,279	79,941,118	73,673,521
5 Cash and cash equivalents							
Bank	96,408,104	252,242,894 0	239,630,749	142,504,087 0	135,378,882	144,178,510	153,550,113
Short-term bank deposits	66,108	93,003 0	88,353	83,935 0	79,738	75,752	-
Call Account	108,446,346	78,714,197	83,830,620	89,279,610	95,082,785	101,263,166	107,845,272
	204,920,558	331,050,094	323,549,722	231,867,632	230,541,406	245,517,427	261,395,384
6 Accounts payable							
Accounts payable	49,649,537	45,843,153	42,876,041	47,715,482	50,339,833	53,108,524	56,029,493
Leave Accrual	18,403,412	24,291,534	16,471,691	22,163,154	23,382,127	24,668,144	26,024,892
Sundry creditors	57,996,788	54,880,580	37,399,331	41,139,264	43,196,228	45,356,039	47,623,841
	126,049,737	125,015,267	96,747,063	111,017,900	116,918,188	123,132,707	129,678,226
7 Provision							
Legal disputes	150,000	1,305,979	1,384,338	1,467,398	1,555,442	1,648,768	1,747,695
Other	24,559,800	14,962,262	-	-	-	-	-
	24,709,800	16,268,241	1,384,338	1,467,398	1,555,442	1,648,768	1,747,695

8 Reconciliation of surplus to cash generated from operations							
Surplus for the period	488,293,300	619,361,877	423,064,098	522,229,628	550,952,258	581,254,632	613,223,637
Adjust for non cash items:							
Depreciation of property, plant and equipment	8,419,583	8,611,544	9,177,194	10,513,194	11,091,420	11,701,448	12,345,028
Amortisation of Intangible Asset	14,949,964	15,238,120	(14,229,429)	15,500,000	16,352,500	17,251,888	18,200,742
Claims paid		9,436,711					
Transaction cost on investment		1,303,958					
Net (surplus) / deficit on disposal of property plant and equ	325,090	1,152,885	1,268,174	1,394,991	1,534,490	1,634,232	1,740,457
Administration fee	9,379,631	10,367,419	11,429,638	12,058,268	12,721,473	13,421,154	14,159,317
Fair value gain on financial instruments	(51,154,861)	(197,549,213)	(61,749,353)	(51,154,861)	(53,968,378)	(56,936,639)	(60,068,154)
Dividend received	(13,445,116)	(13,766,575)					
Movement in provisions	21,831,218	73,128,417	21,963,308	20,398,448	22,488,784	34,504,369	47,683,519
Movement in technical provision	(10,804,099)	(8,441,559)	(9,285,715)		-	-	-
Interest paid	13,359	(11,978)	-	-	-	-	-
Interest received	(356,151,956)	(391,750,017)	(294,123,571)	(421,131,268)	(444,293,487)	(468,729,629)	(494,509,759)
Operating income before working capital changes	111,656,113	127,081,589	87,514,344	109,808,401	116,879,059	134,101,454	152,774,786
(Increase) / Decrease in inventory	(700,501)	21,906	(15,000)	(15,975)	(17,013)	(18,119)	(19,297)
(Increase) / Decrease in accounts receivable	(23,151,626)	30,993,373	1,047,657	759,670	(25,093,905)	(26,725,009)	(28,462,135)
Increase / (Decrease) in accounts payable	(70,519,568)	(1,034,470)	(28,268,204)	14,270,837	5,900,288	6,283,807	6,692,254
	17,284,417	157,062,399	60,278,797	124,822,932	97,668,429	113,642,133	130,985,609

NATIONAL HOME BUILDERS REGISTRATION COUNCIL					
ANNUAL ESTIMATED CONSOLIDATED BUDGET BY DIVISION					
2019-2020					
	QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4	GRAND TOTAL
DESCRIPTION	2019-2020 Budget	2019-2020 Budget	2019-2020 Budget	2019-2020 Budget	2019-2020 Budget
REVENUE					
ENROLMENTS NON-SUBSIDY	204,183,084	136,122,056	170,152,570	170,152,570	680,610,280
ENROL FEE : SUBSIDY HOME	6,229,119	6,229,119	4,152,746	4,152,746	20,763,730
ENROL FEE : CONSOLIDATION	46,354,570	46,354,570	30,903,047	30,903,047	154,515,233
CHANGE IN UNEARNED PREMIUM	-	-	-	-	-
ENROL FEE : SUBSIDY PROJECT	5,864,399	5,864,399	3,909,599	3,909,599	19,547,996
REGISTRATION : ADMIN FEES	401,380	602,070	521,794	481,656	2,006,900
REGISTRATION : ANNUAL FEES	321,055	481,583	417,372	385,266	1,605,276
RENEWAL : ANNUAL FEES	1,256,642	1,884,962	1,633,634	1,507,970	6,283,208
BUILDER MANUALS	300,613	450,920	390,797	360,736	1,503,066
LATE ENROLMENT	318,662	212,441	265,552	265,552	1,062,207
FORENSIC ASSESSMENTS: E CAPE	1,500,000	1,500,000	1,000,000	1,000,000	5,000,000
FORENSIC ASSESSMENTS: KZN	1,500,000	1,500,000	1,000,000	1,000,000	5,000,000
GEO TECH ASSESSMENT	1,800,000	1,800,000	1,200,000	1,200,000	6,000,000
LEGAL DC PENALTY	630,000	630,000	420,000	420,000	2,100,000
TESTING SERVICES	2,130,000	2,130,000	1,420,000	1,420,000	7,100,000
REVENUE TOTAL	272,789,524	205,762,120	217,387,111	217,159,142	913,097,896

EXPENSES					
AUDIT COSTS	1,375,000	1,375,000	1,375,000	1,375,000	5,500,000
BANK CHARGES AND CARD FEES	750,000	750,000	750,000	750,000	3,000,000
C/P:BUS&ADV SER:RESEARCH&ADVISOR	2,500,000	2,500,000	2,500,000	2,500,000	10,000,000
C/P:BUS&ADV SER:TRNSLAT&TRNSCRIPT	175,000	175,000	175,000	175,000	700,000
C/P:BUS&ADV SER:VALUER	75,000	75,000	75,000	75,000	300,000
C/P:BUSINESS&ADVISORY SERV	4,432,500	4,432,500	4,432,500	4,432,500	17,730,000
C/P:EC FORENSIC ASSESS	1,250,000	1,250,000	1,250,000	1,250,000	5,000,000
C/P:GEOTECH SERV	1,000,000	1,000,000	1,000,000	1,000,000	4,000,000
C/P:KZN FORENSIC ASSESS	1,000,000	1,000,000	1,000,000	1,000,000	4,000,000
C/P:TESTING SERVICES	750,000	750,000	750,000	750,000	3,000,000
CATERING: INTERNAL ACTIVITIES	442,250	442,250	442,250	442,250	1,769,000
COM:RENT PRIV BAG&POST BOX	6,875	6,875	6,875	6,875	27,500
COM:POST/STAMP/FRANK MACH	124,125	124,125	124,125	124,125	496,500
COM:SATELLITE SIGNALS	375	375	375	375	1,500
COMMUNICATION COSTS	7,560,396	7,560,396	7,560,396	7,560,396	30,241,585
COMPUTER SERVICES COSTS	6,495,650	6,495,650	6,495,650	6,495,650	25,982,600
CONTRCTRS: TRNSPRT/ RELCTN CONTR	420,000	420,000	420,000	420,000	1,680,000
CONTRCTRS:EMPLOYEE WELLNESS	250,000	250,000	250,000	250,000	1,000,000
CONTRCTRS:PLANT FLOWRS&OTHR DEC	93,750	93,750	93,750	93,750	375,000
COST OF BUILDER MANUALS	47,092	47,092	47,092	47,092	188,370
COST OF CERTIFICATES	68,684	68,684	68,684	68,684	274,736
COUNCIL COSTS	1,340,575	1,340,575	1,340,575	1,340,575	5,362,300
DISCIPLINAR COSTS	1,345,725	1,345,725	1,345,725	1,345,725	5,382,900
ENTERTAINMENT	500	500	500	500	2,000
FLEET SERVICES COSTS	134,250	134,250	134,250	134,250	537,000
GENERATOR EXPENSES	125,000	125,000	125,000	125,000	500,000
INSPECTION FEES NON SUBSIDY	-	-	-	-	-
INSPECTION FEES SUBSIDY	-	-	-	-	-
INV CLOTH:CORPORATE GEAR	353,100	353,100	353,100	353,100	1,412,400
INV FOOD SUP:GROCERIES	208,650	208,650	208,650	208,650	834,600
INV STA&PRNT:GOVERNMENT PRINTER	25,000	25,000	25,000	25,000	100,000
INV STA&PRNT:PRINTING	373,125	373,125	373,125	373,125	1,492,500
INV STA&PRNT:STATIONERY	484,625	484,625	484,625	484,625	1,938,500
INV:MEDICAL SUPPLIES	-	-	-	-	-
LEGAL SERVICES COSTS	3,000,000	3,000,000	3,000,000	3,000,000	12,000,000
MARKETING COSTS	5,928,031	5,928,031	5,928,031	5,928,031	23,712,125
MINOR ASSETS COSTS	255,000	255,000	255,000	255,000	1,020,000
O/P:COURIER & DELIVERY SERVS	218,750	218,750	218,750	218,750	875,000
O/P:FLOWERS & GIFTS	46,938	46,938	46,938	46,938	187,750
O/P:LAUNDRY SERVICES	2,500	2,500	2,500	2,500	10,000
O/P:NON LIFE INSRNC PRM	500,000	500,000	500,000	500,000	2,000,000
O/P:PROF BODIES,MEMB&SUBSC FEES	162,000	162,000	162,000	162,000	648,000
O/P:RESETTLEMENT COST	12,500	12,500	12,500	12,500	50,000
O/P:STORAGE OF FILES	380,000	380,000	380,000	380,000	1,520,000
O/P:TKG OVER CNTRACTUAL OBLIGAT	50,000	50,000	50,000	50,000	200,000
OP/L:HIRE AND RENTAL:EQUIPMENT	850,000	850,000	850,000	850,000	3,400,000
OP/L:HIRE AND RENTAL:FURNITURE	974,264	974,264	974,264	974,264	3,897,058
OP/L:RENTAL OF PREMISES	5,182,000	5,182,000	5,182,000	5,182,000	20,728,000
OUTSTANDING CLAIMS	2,300,000	2,300,000	2,300,000	2,300,000	9,200,000
P/P:CLEANING SERVICES	528,500	528,500	528,500	528,500	2,114,000
P/P:CONFERENCING,EVENT & WORKSHOPS	572,175	572,175	572,175	572,175	2,288,701
P/P:CONTRCTD MAINT PROP	240,000	240,000	240,000	240,000	960,000
P/P:CONTRCTD REF&REH PROP	535,000	535,000	535,000	535,000	2,140,000
P/P:DEEDS	2,500	2,500	2,500	2,500	10,000
P/P:FIRST AID	12,500	12,500	12,500	12,500	50,000
P/P:GARDENING SERVICES	50,000	50,000	50,000	50,000	200,000
P/P:LEASE OPERATING COSTS	447,250	447,250	447,250	447,250	1,789,000
P/P:MUN RATES AND TAXES	357,250	357,250	357,250	357,250	1,429,000
P/P:PEST CNTRL/FUMIGATION SER	51,500	51,500	51,500	51,500	206,000
P/P:SAFEGUARD&SECURITY	1,233,000	1,233,000	1,233,000	1,233,000	4,932,000
P/P:WASTE/REFUSE REMOVAL	15,000	15,000	15,000	15,000	60,000
P/P:WATER & ELECTR SERVICES	1,324,750	1,324,750	1,324,750	1,324,750	5,299,000
PERSONNEL AGENCY FEES	25,000	25,000	25,000	25,000	100,000
SALARIES AND WAGES	131,130,864	131,130,864	131,130,864	131,130,864	524,523,456
SOCIAL TRASFORMATION	1,000,000	1,000,000	1,000,000	1,000,000	4,000,000
SPECIAL PROJECTS	125,000	125,000	125,000	125,000	500,000
ACCREDITATION FEES	370,733	370,733	370,733	370,733	1,482,930
BURSARIES (EMPLOYEES)	500,000	500,000	500,000	500,000	2,000,000
TRAIN & DEV:MATERIAL&MANUALS	25,000	25,000	25,000	25,000	100,000
TRAIN & DEV:STIPENDS	375,000	375,000	375,000	375,000	1,500,000
TRAIN & DEV:YOUTH	375,000	375,000	375,000	375,000	1,500,000
TRAIN & DEV:WOMEN	2,875,000	2,875,000	2,875,000	2,875,000	11,500,000
TRAIN & DEV:ARTISANS	250,000	250,000	250,000	250,000	1,000,000
TRAIN & DEV:PEOPLE WITH DISABILITIES	250,000	250,000	250,000	250,000	1,000,000
TRAIN & DEV:MILITARY VETERANS	250,000	250,000	250,000	250,000	1,000,000
TRAIN & DEV:INTERNS/LEADERSHIP	250,000	250,000	250,000	250,000	1,000,000
TRAIN & DEV:EMPLOYEES	926,226	926,226	926,226	926,226	3,704,903
TRAVEL AND SUBSISTANCE COSTS	12,056,731	12,056,731	12,056,731	12,056,731	48,226,924
VENUES AND FACILITIES	661,250	661,250	661,250	661,250	2,645,000
EXPENSES TOTAL	209,884,459	209,884,459	209,884,459	209,884,459	839,537,838

SURPLUS/ (DEFICIT) BEFORE INTEREST AND DEPRECIATION	62,905,064	(4,122,339)	7,502,651	7,274,682	73,560,059
DEPRECIATION AND AMORTISATION					
AMORTISATION	3,875,000	3,875,000	3,875,000	3,875,000	15,500,000
DEPRECIATION	2,628,299	2,628,299	2,628,299	2,628,299	10,513,195
DEPRECIATION AND AMORTISATION TOTAL	6,503,299	6,503,299	6,503,299	6,503,299	26,013,195
INVESTMENT INCOME					
INTEREST RECEIVED : CURRENT ACCOUNT	3,030,970	3,030,970	3,030,970	3,030,970	12,123,880
INTEREST RECEIVED : INVESTMENT	102,183,687	102,183,687	102,183,687	102,183,687	408,734,746
INTEREST RECEIVED : SALARY ACCOUNT	14,817	14,817	14,817	14,817	59,270
INTEREST RECEIVED : TRUST ACCOUNT	53,343	53,343	53,343	53,343	213,372
DIVIDEND INCOME	3,613,726	3,613,726	3,613,726	3,613,726	14,454,904
REALISED GAIN	12,788,715	12,788,715	12,788,715	12,788,715	51,154,861
C/P:FUND MANAGEMENT FEES	(3,014,567)	(3,014,567)	(3,014,567)	(3,014,567)	(12,058,268)
INVESTMENT INCOME TOTAL	118,670,691	118,670,691	118,670,691	118,670,691	474,682,764
SURPLUS/ (DEFICIT) FOR THE PERIOD	175,072,457	108,045,053	119,670,044	119,442,075	522,229,628
Current filled positions					632
Vacancies					18
Total					650

Table 9. Materiality Framework

**NATIONAL HOME BUILDERS REGISTRATION COUNCIL
MATERIALITY FRAMEWORK
FOR THE YEAR ENDING 31 MARCH 2020**

Basis	Minimum & Maximum percentages	maximum
Gross Expenditure	0.5%	1%
Gross Revenue	0.25%	1%
Net Income	3%	5%
Fixed Assets	2%	5%
Financial Support Loans)	1%	2%
Total Assets	1%	2%

Gross Expenditure	0.25% - 1%
Gross Revenue	0.5% - 1%
Net Income	2.5% - 5%
Fixed Assets	2% - 5%
Financial Support Loans)	1% - 2%
Total Assets	0.5% - 2%

Materiality basis	Significance to AFS appreciation	Minimum%	Average %	Maximum %	Rand amounts	Material Amounts			NHBRC % Annual Rand	NHBRC % Quarter Rand
					Budget 2018/2019	Minimum%	Average %	Maximum %		
Gross Revenue	Medium	0.50%	0.75%	1.0%	913 097 896	4 565 489	6 848 234	9 130 979	6 848 234	1 712 058.56
Gross Expenditure	Medium	0.25%	0.63%	1.0%	861 551 032	2 153 878	5 384 694	8 615 510	5 384 694	1 346 173.49
Net Surplus	Medium	2.00%	3.50%	5.0%	522 229 628	10 444 593	18 278 037	26 111 481	18 278 037	4 569 509.25
Interest	Medium	0.25%	0.63%	1.0%	421 131 268	1 052 828	2 632 070	4 211 313	2 632 070	658 017.61
Investments	Low	1.00%	1.50%	2.0%	7 139 157 111	71 391 571	107 087 357	142 783 142	71 391 571	17 847 892.78
Fixed Assets	Low	1.00%	1.50%	2.0%	312 771 103	3 127 711	4 691 567	6 255 422	6 255 422	1 563 855.52
Current assets	Medium	1.00%	1.50%	2.00%	253 514 238	2 535 142	3 802 714	5 070 285	3 802 714	950 678.39

Average **13 610 173 21 246 382 28 882 590**

Materiality per line **1 361 017 2 124 638 2 888 259**

Audit Materiality - based on revenue **18 261 958**

Materiality

Statement of financial performance **R 430 084 R 663 445 R 896 807 R 24 639 275 6 159 819**

Statement of financial position **R 161 453 R 250 491 R 339 529 R 10 086 553 2 521 638**

Table 10. Risk Management Plan

Risk No.	Strategic Objective	Risk Description	Root Causes of the Risk	Inherent Rating	Current controls	Residual Rating	Key Risk Indicators	Actions to improve management of the risk / Risk Treatment Plans
1	To maintain a sustainable warranty fund	Inability of the strategic business model to keep up with current and future environmental, technological, economic, political and social expectations / demands may erode the relevance and sustainability of the NHBRC.	Market Changes Political Changes Legislative Changes Environmental Changes Technological Changes Economic Changes	25 High Risk	<ul style="list-style-type: none"> - Governance and oversight committees in place and regular meetings - Investment Policy and Strategy in place - Continual review of financial & operating model - NHBRC Operating Model - Address & resolve relevant findings in a timely manner (Internal Audit does perform follow up audits on both Internal Audit and AG findings) - Media response plan and strategy in place - NHBRC sections have individual plans and strategies to achieve overall objectives of the organization - Alignment of plans and strategies with the Annual Performance Plan - Continuous scanning of significant changes in the market, environment and legislation and the impact to the NHBRC 	8. Moderate Risk	Number of months without a fully approved business model for the organisation	<p>1. Develop NHBRC Operating Model which should advise on the size, type and structure of the entire business in the short, medium and long term. The model should advise on the overall human resource strategy of the organisation and related aspects.</p> <p>In line with the model, NHBRC should develop the organisational structure based on the direction it will take in the short, medium and long term.</p> <p>2. Review legislation to enable effective regulation</p> <p>3. Review of the current NHBRC Business Model</p>
2	To entrench a culture of compliance and ensure efficient enforcement mechanisms	Inadequate governance, risk and compliance strategies	<p>Lack of an approved Risk Management Framework and Strategy</p> <p>Lack of organisational awareness sessions on the approved Risk Management Framework and Strategy</p> <p>Lack of an effective combined assurance Framework and strategy for the organisational</p> <p>Insufficient training and awareness initiatives on compliance related matters.</p> <p>Insufficient monitoring by function.</p> <p>Insufficient resources within the compliance function.</p>	16. High Risk	<ul style="list-style-type: none"> - Implementation of approved strategies and plans (Risk, Compliance and Internal Audit) - Regular monitoring of performance - Alignment of plans and strategies with the Annual Performance Plan - Media response plan and strategy in place - Review of strategies and plans - Enforce executive accountability - Identification of root causes and remedy gaps - Address & resolve relevant findings in a timely manner (Internal Audit does perform follow up audits on both Internal Audit and AG findings) - Defend and/or settle on legal matters - Adherence to good corporate governance best practices - Approval and Implementation of the ERM Framework 	8. Moderate Risk	Number of unapproved governance, risk and compliance framework and strategies for the organisation.	<p>1. Approval and implementation of a combined assurance model and framework for the organisation (Target Date: 30 March 2019)</p> <p>2. Alignment of APP to strategies (Target Date: Annually)</p> <p>3. Regular monitoring of performance (Target Date: Continuous)</p>

Risk No.	Strategic Objective	Risk Description	Root Causes of the Risk	Inherent Rating	Current controls	Residual Rating	Key Risk Indicators	Actions to improve management of the risk / Risk Treatment Plans
3	To improve cost effectiveness and internal efficiencies of operations.	Inability to establish a robust and integrated information management system	<p>Lack of a system benefit realization plan</p> <p>Lack of a business case for SAP Implementation</p> <p>Business still dealing with existing system issues</p> <p>Ineffective change management strategies</p>	25 - High Risk	<p>IT Governance Frameworks, Strategies and committees in place</p> <ul style="list-style-type: none"> - SAP implementation plan in place - Data migration plan in place - SAP stabilization plan in place <p>Deployed resources to regional officers on a rotational basis, resources include IT and Super Users. Service leaders have been allocated to each region and responsible for all infrastructure issues and address issues in that specific region.</p> <ul style="list-style-type: none"> - Technical resources for SAP are in place <p>IT functional leads provide on-going support and training</p> <p>SAP Training plan is in place and has been completed, additional training will take place as per the workshop requests</p> <p>Notifications are sent out in advance regarding system updates and/or downtime</p> <p>Recruitment of vacancies subject to budget availability and service providers augment capacity constraints that may exist</p> <p>Communication & engagement with relevant stakeholders</p>	13. High Risk	<p>Number of months without an fully integrated and comprehensive information management system for the organisation</p>	<p>1. Finalisation of the SAP support tender.</p> <p>2. Completion of demand data migration plan</p> <p>3. Electronic component of BQIH & GIS Phase Two</p> <p>4. Finalize the tender for the Inspection Tools</p>
4	To improve cost effectiveness and internal efficiencies of operations.	Inefficient development & implementation of policies and procedures to achieve organisational objectives	<p>Business processes and the Policy development process are misaligned</p> <p>Lack of adherence to mechanisms in place in the company to ensure focus on process design, standardisation, communication and implementation.</p> <p>Lack of availability of the key participants to give input to the policies being developed/ reviewed.</p> <p>Delays in the turnaround time</p>	25-High Risk	<p>Policy Development Committee review and recommend to EXCO.</p> <p>EXCO reviews and recommends to the relevant Committees of Council</p> <p>Consultation/ communication with relevant stakeholders in development.</p> <ul style="list-style-type: none"> - Awareness and training of policies & procedures. - Orientation programme for new employees <p>Policy tracking register is used to track progress on the policies.</p> <p>Approved policies and procedures are available on the intranet</p> <p>Policies and procedures are reviewed on a continual basis (anniversary dates) or when deemed necessary</p>	8. Moderate Risk	<p>Number of policies that have not been updated / reviewed by their due date.</p> <p>Turnaround time for policy approval.</p>	<p>To develop Policy Development Procedure Manual. Develop a process for consultation with business units with regards to the policy development plan.</p> <p>Communicate the Policy Tracking Register to business units heads on a monthly basis.</p> <p>Request a special Council Committee and Council meeting to approve policies.</p>
5	To improve cost effectiveness and internal efficiencies of operations.	Inadequate / ineffective leadership competencies and skills	<p>Lack of succession planning.</p> <p>Low staff morale</p> <p>Lack of career progression.</p> <p>Lack of exit interviews.</p> <p>Failure to create and implement a succession plan for key Company positions and employees.</p>	16. High Risk	<p>Recruitment Policy and Processes</p> <ul style="list-style-type: none"> - Succession Policy - Organisational culture & environment improving <p>Proactive communication with relevant stakeholders</p> <ul style="list-style-type: none"> - Identify root cause and remedy gaps <p>Regular training and awareness on approved human capital policies and procedures</p> <p>Approved human capital policies and procedures are available on the intranet</p> <ul style="list-style-type: none"> - Vacancies are advertised on the intranet <p>Employee performance management systems in place</p> <ul style="list-style-type: none"> - Employee personal development plans in place 	8. Moderate Risk	<p>Percentage of staff turnover at an Executive Level</p>	<p>1. Attracting & retaining the right capabilities and skills</p> <p>2. Leadership development programme</p> <p>3. Dealing with existing job grading and profile issues</p>

Risk No.	Strategic Objective	Risk Description	Root Causes of the Risk	Inherent Rating	Current controls	Residual Rating	Key Risk Indicators	Actions to improve management of the risk / Risk Treatment Plans
6	To maintain a sustainable warranty fund	Fraud and corruption of NHBRC employees and	<p>Inadequate fraud risk for the organisation</p> <p>Lack of a consolidated Fraud Risk Register for the organisation</p> <p>Lack of dedicated ethics officers for the organisation</p> <p>Inadequate implementation of the approved Fraud Prevention Plan Strategy</p>	25 - High Risk	<ul style="list-style-type: none"> - Implementation of approved fraud prevention plan and policy - Implementation of fraud hotline - Detailed investigations into allegations of wrong doing and Asset recovery where possible - Creation of ethical organisational culture i.e. Monthly ethics message circulated , Declaration of interest register before meetings etc. - Segregation of duties in processes - Security enhancements of certificates - Safe storage of certificates - Disciplinary process in place 	13. High Risk	<p>Percentage of cases reported through the fraud hotline relating to employee misconduct. (successful disciplinary processes and prosecution)</p>	<ol style="list-style-type: none"> 1. Implementation of an appropriate consequence management system/process 2. Vetting of Council, EXCO and SCM Staff 3. Fraud risk assessments to be compiled
7	<p>To ensure effective regulatory compliance.</p> <p>To research and introduce innovative products, methods technologies within the home building industry</p>	Non-compliance with applicable and regulations.	<p>Insufficient training and awareness initiatives on compliance related matters.</p> <p>Insufficient monitoring by compliance function.</p> <p>Insufficient resources within the compliance function.</p> <p>Policies not incorporating the latest Legislation and Regulations.</p> <p>Non-compliance with applicable laws, regulations and best practices are not identified during the quality assurance stage of policies.</p> <p>Inadequate prosecution of registered and non-registered home builders in terms of the Act.</p> <p>Limiting provisions of the HCPM Act.</p> <p>Inadequate understanding of the Act by relevant role players</p> <p>Dependency on SAPS and NPA to prosecute.</p>	16. High Risk	<ul style="list-style-type: none"> - Policy Development Committee review and recommend to EXCO. - EXCO reviews and recommends to the relevant Committees of Council - Consultation / communication with relevant stakeholders in development. - Awareness and training of policies & procedures. - Orientation programme for new employees - Policy tracking register is used to track progress on the policies. - Approved policies and procedures are available on the intranet - Policies and procedures are reviewed on a continual basis (anniversary dates) - Regulatory Compliance Function - Enforcement Unit - Policy Development Manager obtains the Regulatory Compliance Universe from LCE and performs a quality assurance review to ensure that all applicable legislation and regulation have been addressed in the policy. - Consumer Awareness Programme - Training of internal and external stakeholders (e.g. inspectors, other business services officials; SAPS; NPA) on the Act and regulations, including procedures and processes to be followed. - Awareness of the NHBRC Mandate to all relevant stakeholders - Collaboration between NHBRC Investigators and SAPS Investigation Officers to process matters instituted. 	8. Moderate Risk	<ol style="list-style-type: none"> 1. Percentage increase in Auditor General Findings or other findings on non-compliance with the applicable laws including and especially the PFMA. 2. Number of regulatory fines or penalties against the NHBRC. 	<ol style="list-style-type: none"> 1. Implementation of an appropriate consequence management system/process 2. Develop a policy and procedure for Policy Development at an organisational level. 3. Review legislation to enable effective regulation 4. Collaboration with SAPS and NPA. 5. Training on specific issues requiring further attention to both internal and external stakeholders

Risk No.	Strategic Objective	Risk Description	Root Causes of the Risk	Inherent Rating	Current controls	Residual Rating	Key Risk Indicators	Actions to improve management of the risk / Risk Treatment Plans
8	To improve cost effectiveness and internal efficiencies of operations. To research and introduce innovative products, methods and technologies within the home building industry	Inadequate enforcement of the Housing Consumers Protection Measures Act (HCPMA)	Inadequate prosecution of registered and non-registered home builders in terms of the Act. Limiting provisions of the HCPM Act. Inadequate understanding of the Act by relevant role players Dependency on SAPS and NPA to prosecute. Limited knowledge by our stakeholders (NPA, SAPS, Municipality, Home Builders) on HCPM Act. Limited co-operation by government in subsidy sector.	16. High Risk	Enforcement section - Enforcement processes - Enforcement of the act - Complaints and conciliation process - Home builder disciplinary proceedings Contravening home builders subject to fines and penalties - Home Building Manual and SANS Standards - Consumer Awareness Programme Training of internal and external stakeholders (e.g. inspectors, other business services officials; SAPS; NPA) on the Act and regulations, including procedures and processes to be followed. Awareness of the NHBRC Mandate to all relevant stakeholders Collaboration between NHBRC Investigators and SAPS Investigation Officers to process matters instituted.	8. Moderate Risk	Percentage of cases reported to SAPS / NPA and successfully prosecuted.	Training on specific issues requiring further attention to both internal and external stakeholders. 2. Repeal of the HCPM Act 3. Collaboration with SAPS and NPA.
9	To improve cost effectiveness and internal efficiencies of operations.	Loss of critical company skills and competencies / key personnel	Lack of succession planning. Low staff morale Lack of career progression. Lack of exit interviews. Failure to create and implement a succession plan for key Company positions and employees. Inadequate leadership development exercises. Contract expiry	16. High Risk	-The NHBRC Succession Policy -The NHBRC Performance Management Policy Implementation of approved fraud prevention plan and policy - Implementation of fraud hotline Detailed investigations into allegations of wrong doing and Asset recovery where possible Creation of ethical organisational culture i.e. Monthly ethics message circulated , Declaration of interest register before meetings etc. - Segregation of duties in processes - Disciplinary process in place - Grievance process in place Recruitment of vacancies subject to budget availability and service providers augment capacity constraints that may exist	8. Moderate Risk	Percentage of staff turnover	Attracting & retaining the right capabilities and skills Communication and approval process for the IDP Training needs. 3. Leadership development programme

Risk No.	Strategic Objective	Risk Description	Root Causes of the Risk	Inherent Rating	Current controls	Residual Rating	Key Risk Indicators	Actions to improve management of the risk / Risk Treatment Plans
10	To improve cost effectiveness and internal efficiencies of operations.	Inability to resume business operations timeously.(SAP ERP System)	(1) Lack of disaster recovery mechanism for NHBRC.	25. High Risk	(1) Disaster recovery test Plan for SAP IT Infrastructure has been developed by BCM coordinator. (2). Current Engagements with Telkom to develop DR Solution for NHBRC. First stage done and it was successful. (3).Test DR solution in stages	25. High Risk	Months outstanding DR programme not implemented for SAP ERP System	The organisation to develop and implement a disaster recovery plan for SAP and the entire IT Infrastructure for the organisation. 2. Data classification project to be conducted Source a programme to link the data network server located in the mobile bus to the on-site internal NHBRC network server
11	To improve cost effectiveness and internal efficiencies of operations.	Inability to resume business operations timeously in the event of a declared disaster (alternative disaster recovery site)	(1).Lack of an alternative (second) disaster recovery site for NHBRC Head Office and regional offices. (People and Data)	High Risk	1. Alternative site planning in progress between BCM Coordinator and the Chief Risk Officer. 2. BCM Resumption plans for the Head Office has been done BCM Resumption plans completed in Regional offices. Business Continuity Plan for NHBRC has been done.	25. High Risk	Months outstanding without an alternative BCM Sites not being implemented for Head Office and Regional Offices.	(1).Finalise the Alternative site planning (2).Investigate current mobile services in use for the business and gather information regarding Mobile Technology Canters available in the industry.
12	To improve cost effectiveness and internal efficiencies of operations.	Increasing trends in cyber crime could lead to information and security of the organisation being compromised.	(1) Lack of an information security management system, strategy, policy, processes and procedures	High Risk	Reliance on Information Security agreement with Telkom for network security. Conducted a vulnerability and penetration assessment (3). Conduct security awareness Appointment of an Information Security Specialist for the NHBRC. (5) Patch management, anti-virus and firewalls are in place (6) Information security plan approved and in place; and awareness to the relevant stakeholders	13. High Risk	Number of days without a security monitoring tool	Lack of an information security management system, strategy, policy, processes and procedures (1) Sourcing and appointment an information security service provider for the NHBRC. (2). Conduct on-going security monitoring and reporting

FRAUD RISK MANAGEMENT

NHBRC has a legal responsibility in terms of the Public Finance Management Act (Act No. 1 of 1999, as amended) to take appropriate steps to prevent unauthorised, irregular, fruitless and wasteful expenditure and losses resulting from criminal conduct. The primary function of the Unit is to maintain the Anti-fraud Strategies and the Fraud Prevention Framework, conduct fraud awareness training and workshops. The Fraud Prevention Policy and the Whistleblowing Policy have been approved and implemented. There is a whistle blowing facility in place, which is administered by Advance call and reports are drawn monthly to report to the Council. Proactive corrective measures have been put in place to prevent future incidents of fraud and non-compliance.

SAFETY, HEALTH AND ENVIRONMENT (SHE)

NHBRC strives to conduct all its activities in a safe and environmentally sensitive manner at all times. The organisation has created and sustains the necessary organisational competency to enable the development and rollout of health, safety and environmental management plans for the head office and regions.

The revised SHE Policy Statement is in place and it has been displayed at all NHBRC offices. The Occupational Health and Safety Act 85 of 1993 is prioritised by planning, implementation, checking, management review and continual improvement.

Management Representatives appointed as 16(2) in terms of the Occupational Health and Safety Act have been trained on Legal Liabilities. SHE Representatives (Fire fighters, SHE Reps, First Aiders and Incident investigators have been trained and appointed.

SHE Audit tracking register is discussed quarterly in the EXCO and Social Transformation, Ethics and Empowerment Committee (STEECO) meetings. SHE Committee meetings are held quarterly as per the Occupational Health and Safety Act 85 of 1993 Sec 19. SHE Risk assessments are reviewed quarterly. SHE Awareness presentations has been conducted to all SHE Representatives and NHBRC new employees. An emergency evacuation drill is planned to test NHBRC's emergency preparedness in case of any disaster.

A health risk assessment for all NHBRC employees will be conducted to routinely identify hazards and assess risks in order to prevent workplace injuries and diseases and to ensure increased productivity

BUSINESS CONTINUITY MANAGEMENT (BCM)

The National Homebuilders Registration Council (NHBRC) recognises the potential strategic, operational, and financial and stakeholder risks associated with business or IT service interruptions and the importance of maintaining viable capability to continue the NHBRC's business processes with minimum impact in the event of a disaster.

NHBRC has resolved that a Business Continuity Management (BCM) programme is a value creating activity and essential to the business continuity of NHBRC's services. NHBRC is committed to establishing and maintaining a BCM programme according to good practices and international standards.

SECURITY

In support of the Risk Management Framework, the NHBRC has embarked on a programme to enhance two significant components of physical security – namely, the physical guarding services and the electronic security services. In the new financial year, ERM plans to procure a fully integrated electronic security system, plus alarm monitoring and response services for all offices nationally to ensure safety of NHBRC employees and assets. Security related policies and procedures are in place and will be reviewed where deemed necessary.

ETHICS

In line with the King IV and to ensure good governance in the organization the NHBRC has established an ethics office. There is an Ethics governance framework in place, which is currently being reviewed including Ethics policy, Conflict of Interest policy, Sexual harassment policy and Code of Conduct. NHBRC will also undertake development of the Gift policy, Remunerative work outside NHBRC policy and Fraternization Policy to strengthen good governance. The office will on conduct ethics awareness and training to promote ethical behaviour within the NHBRC.

KEY PERFORMANCE INDICATORS FOR TECHNICAL INDICATORS DESCRIPTIONS

PRE-DETERMINED OBJECTIVES

Programme 1: Administration

Technical Indicator Descriptions of key Performance Areas

Business Management Solutions		Key Performance Indicators
Indicator title	Identifies the title of the strategic outcome-oriented goal, objective or programme performance indicator	% maintenance of network availability
Short definition	Provides a brief explanation of what the indicator is, with enough detail to give a general understanding of the indicator.	The NHBRC network runs of the MPLS which is used to ensure smooth communication between the offices. This is to ensure uninterrupted system availability.
Purpose/importance	Explains what the indicator is intended to show and why it is important.	To measure the network availability and monitor the network infrastructure. It is important to detect to network failure as and when it occur in order to minimize the downtime.
Source/collection of data	Describes where the information comes from and how it is collected.	Monitoring software will be used as a source to record the network availability.
Method of calculation	Describes clearly and specifically how the indicator is calculated.	The % of time that the network was available within a specified period.
Data limitations	Identifies any limitation with the indicator data, including factors that might be beyond the department's control.	The network is managed by the external service provider and there are delays in receiving the report.
Type of indicator	Identifies whether the indicator is measuring inputs, activities, outputs, outcomes or impact, or some other dimension of performance such as efficiency, economy or equity.	Impact
Calculation type	Identifies whether the reported performance is cumulative or non-cumulative.	Non-Cumulative

Reporting cycle	Identifies if an indicator is reported monthly, quarterly, annually or at longer time intervals.	Monthly, quarterly and annually
New indicator	Identifies whether the indicator is new, has significantly changed, or continues without change from the previous year.	Continues with significant changes
Desired performance	Identifies whether actual performance that is higher or lower than targeted performance is desirable.	Higher than the target
Indicator responsibility	Identifies who is responsible for managing and reporting the indicator.	Executive Manager: Corporate Services
Indicator title	Identifies the title of the strategic outcome-oriented goal, objective or programme performance indicator.	% Maintenance of SAP system availability
Short definition	Provides a brief explanation of what the indicator is, with enough detail to give a general understanding of the indicator.	Continuous or uninterrupted system availability System refers to SAP with all its operating modules To measure the time the NHBRC systems are functional and available to the end users
Purpose/importance	Explains what the indicator is intended to show and why it is important.	To ensure services offered by the NHBRC are not affected by system downtime at any given time To ensure the NHBRC is able to deliver products and services to its stakeholders without system interruptions To have a real-time monitoring and controlling of the NHBRC's IT infrastructure and to detect system failure
Source/collection of data	Describes where the information comes from and how it is collected.	Monitoring software will be used as a source
Method of calculation	Describes clearly and specifically how the indicator is calculated.	Variable dependency on the number of sub-systems and calculated in minutes Automated system calculation
Data limitations	Identifies any limitation with the indicator data, including factors that might be beyond the department's control.	None

Type of indicator	Identifies whether the indicator is measuring inputs, activities, outputs, outcomes or impact, or some other dimension of performance such as efficiency, economy or equity.	Impact
Calculation type	Identifies whether the reported performance is cumulative or non-cumulative.	Non-Cumulative
Reporting cycle	Identifies if an indicator is reported monthly, quarterly, annually or at longer time intervals.	Monthly, quarterly and annually
New indicator	Identifies whether the indicator is new, has significantly changed, or continues without change from the previous year.	Continues with significant changes
Desired performance	Identifies whether actual performance that is higher or lower than targeted performance is desirable.	Higher than the target
Indicator responsibility	Identifies who is responsible for managing and reporting the indicator.	Executive Manager: Corporate Services
Indicator title	Identifies the title of the strategic outcome-oriented goal, objective or programme performance indicator.	% implementation of Human Capital Plan
Short definition	Provides a brief explanation of what the indicator is, with enough detail to give a general understanding of the indicator.	To monitor the progress made to all HC planned activities
Purpose/importance	Explains what the indicator is intended to show and why it is important.	To ensure that planned activities are achieved and Human Capital activities are adhered to.
Source/collection of data	Describes where the information comes from and how it is collected.	Human Capital plan. The information will be collected manual through progress reports.
Method of calculation	Describes clearly and specifically how the indicator is calculated.	The number of activities completed against the total targeted activities for a specified period.
Data limitations	Identifies any limitation with the indicator data, including factors that might be beyond the department's control.	Data is collected manually

Type of indicator	Identifies whether the indicator is measuring inputs, activities, outputs, outcomes or impact, or some other dimension of performance such as efficiency, economy or equity.	Activities
Calculation type	Identifies whether the reported performance is cumulative or non-cumulative.	Cumulative
Reporting cycle	Identifies if an indicator is reported monthly, quarterly, annually or at longer time intervals.	Monthly, quarterly and annually
New indicator	Identifies whether the indicator is new, has significantly changed, or continues without change from the previous year.	Continues without change from the previous year
Desired performance	Identifies whether actual performance that is higher or lower than targeted performance is desirable.	Higher than the target
Indicator responsibility	Identifies who is responsible for managing and reporting the indicator.	Executive Manager: Corporate Services
Indicator title	Identifies the title of the strategic outcome-oriented goal, objective or programme performance indicator.	% implementation of Facilities Management Plan
Short definition	Provides a brief explanation of what the indicator is, with enough detail to give a general understanding of the indicator.	To monitor the progress made to all Facilities management planned activities
Purpose/importance	Explains what the indicator is intended to show and why it is important.	To ensure that planned activities are achieved and Facilities management activities are adhered to.
Source/collection of data	Describes where the information comes from and how it is collected.	Facilities Management Plan. The information will be collected manually through progress reports.
Method of calculation	Describes clearly and specifically how the indicator is calculated.	The number of activities completed against the total targeted activities for a specified period
Data limitations	Identifies any limitation with the indicator data, including factors that might be beyond the department's control.	Data is collected manually

Type of indicator	Identifies whether the indicator is measuring inputs, activities, outputs, outcomes or impact, or some other dimension of performance such as efficiency, economy or equity.	Activities
Calculation type	Identifies whether the reported performance is cumulative or non-cumulative.	Cumulative
Reporting cycle	Identifies if an indicator is reported monthly, quarterly, annually or at longer time intervals.	Monthly, quarterly and annually
New indicator	Identifies whether the indicator is new, has significantly changed, or continues without change from the previous year.	New indicator
Desired performance	Identifies whether actual performance that is higher or lower than targeted performance is desirable.	Higher than the target
Indicator responsibility	Identifies who is responsible for managing and reporting the indicator.	Executive Manager: Corporate Services
Indicator title	Identifies the title of the strategic outcome-oriented goal, objective or programme performance indicator.	% Implementation of Policy Management Plan
Short definition	Provides a brief explanation of what the indicator is, with enough detail to give a general understanding of the indicator.	To monitor the progress made to all Policy Management planned activities to ensure that new policies are developed and old policies are reviewed.
Purpose/importance	Explains what the indicator is intended to show and why it is important.	To ensure that planned activities are achieved and policy management activities are adhered to.
Source/collection of data	Describes where the information comes from and how it is collected.	Policy Management plan. The information will be collected manual through progress reports.
Method of calculation	Describes clearly and specifically how the indicator is calculated.	The number of activities completed against the total targeted activities for a specified period
Data limitations	Identifies any limitation with the indicator data, including factors that might be beyond the department's control.	Data is collected manually

Type of indicator	Identifies whether the indicator is measuring inputs, activities, outputs, outcomes or impact, or some other dimension of performance such as efficiency, economy or equity.	Activities
Calculation type	Identifies whether the reported performance is cumulative or non-cumulative.	Cumulative
Reporting cycle	Identifies if an indicator is reported monthly, quarterly, annually or at longer time intervals.	Monthly, quarterly and annually
New indicator	Identifies whether the indicator is new, has significantly changed, or continues without change from the previous year.	New indicator
Desired performance	Identifies whether actual performance that is higher or lower than targeted performance is desirable.	Higher than the target
Indicator responsibility	Identifies who is responsible for managing and reporting the indicator.	Executive Manager: Corporate Services
Indicator title	Identifies the title of the strategic outcome-oriented goal, objective or programme performance indicator.	Operating surplus > Budget
Short definition	Provides a brief explanation of what the indicator is, with enough detail to give a general understanding of the indicator.	Organisational net profit at the end of the financial period must be greater or equal to budgeted net profit to ensure sustainability.
Purpose/importance	Explains what the indicator is intended to show and why it is important.	Comparison will assist the Organisation analyse its financial performance to determine if the NHBRC operate within its budget. To minimize the costs against the budget.
Source/collection of data	Describes where the information comes from and how it is collected.	Financial reports.
Method of calculation	Describes clearly and specifically how the indicator is calculated.	Actual net profit less Budgeted net profit Rand Value
Data limitations	Identifies any limitation with the indicator data, including factors that might be beyond the department's control.	None

		Delayed report from external investment companies
Type of indicator	Identifies whether the indicator is measuring inputs, activities, outputs, outcomes or impact, or some other dimension of performance such as efficiency, economy or equity.	Equity
Calculation type	Identifies whether the reported performance is cumulative or non-cumulative.	Non-Cumulative
Reporting cycle	Identifies if an indicator is reported monthly, quarterly, annually or at longer time intervals.	Monthly, quarterly and annually
New indicator	Identifies whether the indicator is new, has significantly changed, or continues without change from the previous year.	Continues without change from the previous year
Desired performance	Identifies whether actual performance that is higher or lower than targeted performance is desirable.	Higher than the target
Indicator responsibility	Identifies who is responsible for managing and reporting the indicator.	Chief Financial Officer
Indicator title	Identifies the title of the strategic outcome-oriented goal, objective or programme performance indicator.	% BEE spend
Short definition	Provides a brief explanation of what the indicator is, with enough detail to give a general understanding of the indicator.	Procure 65% of products & services from BEE accredited suppliers registered on the NHBRC database or through competitive bidding processes.
Purpose/importance	Explains what the indicator is intended to show and why it is important.	To promote the expenditure with companies recognized as BEE compliant and ensure compliant with legislative requirement in terms of BEE Act
Source/collection of data	Describes where the information comes from and how it is collected.	Input information from suppliers awarded contracts. Data to be collected from the ERP system.
Method of calculation	Describes clearly and specifically how the indicator is calculated.	Total amount of discretionary spend paid to accredited BEE service providers within a specified period divide by the total amount of discretionary spend paid to all service providers for the same period multiply by 100.

		BEE certified service provider is verified via certification.
Data limitations	Identifies any limitation with the indicator data, including factors that might be beyond the department's control.	None
Type of indicator	Identifies whether the indicator is measuring inputs, activities, outputs, outcomes or impact, or some other dimension of performance such as efficiency, economy or equity.	Outcomes
Calculation type	Identifies whether the reported performance is cumulative or non-cumulative.	Non-Cumulative
Reporting cycle	Identifies if an indicator is reported monthly, quarterly, annually or at longer time intervals.	Monthly, quarterly and annually.
New indicator	Identifies whether the indicator is new, has significantly changed, or continues without change from the previous year.	Continue without changes from previous year.
Desired performance	Identifies whether actual performance that is higher or lower than targeted performance is desirable.	Higher than the target
Indicator responsibility	Identifies who is responsible for managing and reporting the indicator.	Chief Financial Officer
Indicator title	Identifies the title of the strategic outcome-oriented goal, objective or programme performance indicator.	Payment of suppliers within 30 days
Short definition	Provides a brief explanation of what the indicator is, with enough detail to give a general understanding of the indicator.	To ensure that all suppliers rendering goods and services to the NHBRC are paid within 30 days as prescribed by National Treasury.
Purpose/importance	Explains what the indicator is intended to show and why it is important.	To monitor the payment turnaround time between NHBRC and its suppliers to ensure compliance and avoid interest charged on late payment of accounts.
Source/collection of data	Describes where the information comes from and how it is collected.	Payment report that will be supported by Invoices and proof of payment.
Method of calculation	Describes clearly and specifically how the indicator is calculated.	Average number of days in which suppliers were paid during a specified period.

Data limitations	Identifies any limitation with the indicator data, including factors that might be beyond the department's control.	Uncaptured invoices
Type of indicator	Identifies whether the indicator is measuring inputs, activities, outputs, outcomes or impact, or some other dimension of performance such as efficiency, economy or equity.	output
Calculation type	Identifies whether the reported performance is cumulative or non-cumulative.	Non-Cumulative
Reporting cycle	Identifies if an indicator is reported monthly, quarterly, annually or at longer time intervals.	Monthly, quarterly and annually.
New indicator	Identifies whether the indicator is new, has significantly changed, or continues without change from the previous year.	continues without change from the previous year
Desired performance	Identifies whether actual performance that is higher or lower than targeted performance is desirable.	Its lower than the target
Indicator responsibility	Identifies who is responsible for managing and reporting the indicator.	Chief Financial Officer

Programme 2: Regulation

Indicator title	Identifies the title of the strategic outcome-oriented goal, objective or programme performance indicator.	Number of home builders to be registered
Short definition	Provides a brief explanation of what the indicator is, with enough detail to give a general understanding of the indicator.	When home builders are evaluated for technical, financial, managerial competence and pay prescribed registration fees in order to obtain a license to trade in the sector
Purpose/importance	Explains what the indicator is intended to show and why it is important.	The purpose of the Home Builder Registration programme is to register all home builders in the building industry for compliance with the HCPMA, as amended.

Source/collection of data	Describes where the information comes from and how it is collected.	The information is submitted by the builder and captured in the CRM system Application forms and supporting documents submitted by the homebuilder and copy of registration certificates
Method of calculation	Describes clearly and specifically how the indicator is calculated.	The number of home builders certified within a specified period Number of certificates issued to newly registered home builders within a specified period
Data limitations	Identifies any limitation with the indicator data, including factors that might be beyond the department's control.	None
Type of indicator	Identifies whether the indicator is measuring inputs, activities, outputs, outcomes or impact, or some other dimension of performance such as efficiency, economy or equity.	Output
Calculation type	Identifies whether the reported performance is cumulative or non-cumulative.	Non-Cumulative
Reporting cycle	Identifies if an indicator is reported monthly, quarterly, annually or at longer time intervals.	Monthly, quarterly and annually
New indicator	Identifies whether the indicator is new, has significantly changed, or continues without change from the previous year.	continues without change from the previous year
New indicator	Identifies whether the indicator is new, has significantly changed, or continues without change from the previous year.	continues without change from the previous year
Desired performance	Identifies whether actual performance that is higher or lower than targeted performance is desirable.	Its higher than the target

Indicator responsibility	Identifies who is responsible for managing and reporting the indicator.	Executive Manager: Business Services
Indicator title	Identifies the title of the strategic outcome-oriented goal, objective or programme performance indicator.	Number of home builders to renew their registration
Short definition	Provides a brief explanation of what the indicator is, with enough detail to give a general understanding of the indicator.	Annual re-registration of home builders to verify any material changes from the initial registration with regards to technical, financial and managerial competence in order to continue trading in the sector Home builders pay prescribed renewal fees
Purpose/importance	Explains what the indicator is intended to show and why it is important.	To renew the registration of home builders in the homebuilding industry for compliance with the HCPMA
Source/collection of data	Describes where the information comes from and how it is collected.	The information is submitted by the homebuilder and captured in the CRM system Application forms and supporting documents submitted by the homebuilder and copy of registration certificates
Method of calculation	Describes clearly and specifically how the indicator is calculated.	The total number of home builders certified within a specified period Number of certificates issued to renewed home builders within a specified period.
Data limitations	Identifies any limitation with the indicator data, including factors that might be beyond the department's control.	None
Type of indicator	Identifies whether the indicator is measuring inputs, activities, outputs, outcomes or impact, or some other dimension of performance such as efficiency, economy or equity.	Output
Calculation type	Identifies whether the reported performance is cumulative, or non-cumulative.	Non-Cumulative

Reporting cycle	Identifies if an indicator is reported monthly, quarterly, annually or at longer time intervals.	Monthly, quarterly and annually
New indicator	Identifies whether the indicator is new, has significantly changed, or continues without change from the previous year.	continues without change from the previous year
Desired performance	Identifies whether actual performance that is higher or lower than targeted performance is desirable.	Higher than the target
Indicator responsibility	Identifies who is responsible for managing and reporting the indicator.	Executive Manager: Business Services
Indicator title	Identifies the title of the strategic outcome-oriented goal, objective or programme performance indicator.	Number of homes inspected in the subsidy sector
Short definition	Provides a brief explanation of what the indicator is, with enough detail to give a general understanding of the indicator.	<p>This indicator would be measuring the number of homes inspected where all required stages have been completed. Homes inspected refer to houses where construction commenced in the previous financial year(s) or current financial but is completed in the reporting financial year.</p> <p>Inspection is conducted on the site of construction to ensure that building activities on enrolled homes are compliant to the NHBRC Home Building Manual and other industry technical standards.</p>
Purpose/importance	Explains what the indicator is intended to show and why it is important.	To ensure that all enrolled homes are inspected. To identify any potential deviations to technical standards and ensure remedial action take place before completion of the building.
Source/collection of data	Describes where the information comes from and how it is collected.	<p>The information is collected by NHBRC Inspectors and captured into the CRM (Mobile Solution) system.</p> <p>Builder quality index for homes (BQIH) form is used to record the inspection data.</p>

Method of calculation	Describes clearly and specifically how the indicator is calculated.	The last inspection conducted on enrolled homes is used to calculate the number of homes inspected.
Data limitations	Identifies any limitation with the indicator data, including factors that might be beyond the department's control.	Data is collected manually and through electronic devices. System failure and failure to capture the information timely and accurately on the system.
Type of indicator	Identifies whether the indicator is measuring inputs, activities, outputs, outcomes or impact, or some other dimension of performance such as efficiency, economy or equity.	Output
Calculation type	Identifies whether the reported performance is cumulative or non-cumulative.	Non-cumulative
Reporting cycle	Identifies if an indicator is reported monthly, quarterly, annually or at longer time intervals.	Monthly, quarterly and annually
New indicator	Identifies whether the indicator is new, has significantly changed, or continues without change from the previous year.	New
Desired performance	Identifies whether actual performance that is higher or lower than targeted performance is desirable.	Higher than the target
Indicator responsibility	Identifies who is responsible for managing and reporting the indicator.	Executive Manager: Business Services
Indicator title	Identifies the title of the strategic outcome-oriented goal, objective or programme performance indicator.	Number of homes to be inspected in the non-subsidy sector
Short definition	Provides a brief explanation of what the indicator is, with enough detail to give a general understanding of the indicator.	This indicator would be measuring the number of homes inspected where all required stages have been completed. Homes inspected refer to houses where construction commenced in the previous financial year(s) or current financial but is completed in the reporting financial year.

		Inspection is conducted on the site of construction to ensure that building activities on enrolled homes are compliant to the NHBRC Home Building Manual and other industry technical standards.
Purpose/importance	Explains what the indicator is intended to show and why it is important.	To ensure that all enrolled homes are inspected. To identify any potential deviations to technical standards and ensure remedial action take place before completion of the building.
Source/collection of data	Describes where the information comes from and how it is collected.	The information is collected by NHBRC Inspectors and captured into the CRM (Mobile Solution) system. Builder quality index for homes (BQIH) form is used to record the inspection data.
Method of calculation	Describes clearly and specifically how the indicator is calculated.	The last inspection conducted on enrolled homes is used to calculate the number of homes inspected.
Data limitations	Identifies any limitation with the indicator data, including factors that might be beyond the department's control.	Data is collected manually and through electronic devices. System failure and failure to capture the information timely and accurately on the system.
Type of indicator	Identifies whether the indicator is measuring inputs, activities, outputs, outcomes or impact, or some other dimension of performance such as efficiency, economy or equity.	Output
Calculation type	Identifies whether the reported performance is cumulative or non-cumulative.	Non-cumulative
Reporting cycle	Identifies if an indicator is reported quarterly, annually or at longer time intervals.	Monthly, quarterly and annually
New indicator	Identifies whether the indicator is new, has significantly changed, or continues without change from the previous year.	New

Desired performance	Identifies whether actual performance that is higher or lower than targeted performance is desirable.	Higher than the target
Indicator responsibility	Identifies who is responsible for managing and reporting the indicator.	Executive Manager: Business Services
Indicator title	Identifies the title of the strategic outcome-oriented goal, objective or programme performance indicator.	% of defaulting home builders suspended on prosecutable matters
Short definition	Provides a brief explanation of what the indicator is, with enough detail to give a general understanding of the indicator.	The home builder must be given notice of intention to suspend their registration and an opportunity to give reasons why their registration should not be suspended. The home builder's registration must be suspended if they fail to respond or to provide valid reasons why their registration should not be suspended and the organisation is of the opinion that there are reasonable prospects of successful prosecution.
Purpose/importance	Explains what the indicator is intended to show and why it is important.	To regulate the construction activities in the sector and ensure that home owners are protected against structural defects that may occur within a period of 5 years from date of occupation
Source/collection of data	Describes where the information comes from and how it is collected.	The information comes from provincial offices and it is emailed or hand delivered to the Paralegal in central office.
Method of calculation	Describes clearly and specifically how the indicator is calculated.	The indicator is calculated by using the number of days it takes from the date of receipt of instruction (by Paralegal) from the provincial office to the date of decision (approval or decline of the request) by the Enforcement Manager or his/her delegated person.
Data limitations	Identifies any limitation with the indicator data, including factors that might be beyond the department's control.	None
Type of indicator	Identifies whether the indicator is measuring inputs, activities, outputs, outcomes or impact, or some other	Output

	dimension of performance such as efficiency, economy or equity.	
Calculation type	Identifies whether the reported performance is cumulative or non-cumulative.	Non-Cumulative
Reporting cycle	Identifies if an indicator is reported monthly, quarterly, annually or at longer time intervals.	Monthly, quarterly and annually
New indicator	Identifies whether the indicator is new, has significantly changed, or continues without change from the previous year.	continues without change from the previous year
Desired performance	Identifies whether actual performance that is higher or lower than targeted performance is desirable.	lower than the target
Indicator responsibility	Identifies who is responsible for managing and reporting the indicator.	Executive Manager: Legal, Compliance and Enforcement
Indicator title	Identifies the title of the strategic outcome-oriented goal, objective or programme performance indicator.	% of prosecutable matters set down for hearing before the before Disciplinary Committee (DC) within 120 working days from date of suspension or from date of receipt of instruction.
Short definition	Provides a brief explanation of what the indicator is, with enough detail to give a general understanding of the indicator.	The disciplinary process is initiated by sending a Charge Letter, a Charge Sheet, an Affidavit and a Plea to the home builder. Summons are issued for the home builder and witnesses to appear before the Disciplinary Committee after obtaining a suitable hearing date in consultation with Secretariat.
Purpose/importance	Explains what the indicator is intended to show and why it is important.	To regulate the construction activities in the sector and ensure home owners are protected against structural defects that may occur within a period of 5 years from date of occupation.
Source/collection of data	Describes where the information comes from and how it is collected.	The information comes from provincial offices and it is emailed or hand delivered to the Paralegal in central office.

Method of calculation	Describes clearly and specifically how the indicator is calculated.	The indicator is calculated by using the number of days it takes from the date of receipt of instruction from provincial offices to the Legal Advisor: Litigation.
Data limitations	Identifies any limitation with the indicator data, including factors that might be beyond the department's control.	None
Type of indicator	Identifies whether the indicator is measuring inputs, activities, outputs, outcomes or impact, or some other dimension of performance such as efficiency, economy or equity.	Output
Calculation type	Identifies whether the reported performance is cumulative, or non-cumulative.	Non-Cumulative
Reporting cycle	Identifies if an indicator is reported quarterly, annually or at longer time intervals.	Monthly, Quarterly and Annually
New indicator	Identifies whether the indicator is new, has significantly changed, or continues without change from the previous year.	continues without change from the previous year
Desired performance	Identifies whether actual performance that is higher or lower than targeted performance is desirable.	lower than the target
Indicator responsibility	Identifies who is responsible for managing and reporting the indicator.	Executive Manager: Legal Compliance and Enforcement
Indicator title	Identifies the title of the strategic outcome-oriented goal, objective or programme performance indicator.	Conduct a study on the impact of NHBRC builders training within the home built environment
Short definition	Provides a brief explanation of what the indicator is, with enough detail to give a general understanding of the indicator.	A study on the impact of NHBRC training will be conducted and a report will be produced in that regard.
Purpose/importance	Explains what the indicator is intended to show and why it is important.	To establish if the training conducted by the NHBRC has a positive impact or not.

Source/collection of data	Describes where the information comes from and how it is collected.	Data is collected manually through soft and hard copies from home builders that previously received the NHBRC training
Method of calculation	Describes clearly and specifically how the indicator is calculated.	Report based on the analysis of the study and expression of an opinion.
Data limitations	Identifies any limitation with the indicator data, including factors that might be beyond the department's control.	Unresponsiveness from the NHBRC training recipients
Type of indicator	Identifies whether the indicator is measuring inputs, activities, outputs, outcomes or impact, or some other dimension of performance such as efficiency, economy or equity.	impact
Calculation type	Identifies whether the reported performance is cumulative or non-cumulative.	non-cumulative
Reporting cycle	Identifies if an indicator is reported monthly, quarterly, annually or at longer time intervals.	Quarterly and annually
New indicator	Identifies whether the indicator is new, has significantly changed, or continues without change from the previous year.	New
Desired performance	Identifies whether actual performance that is higher or lower than targeted performance is desirable.	Actual performance
Indicator responsibility	Identifies who is responsible for managing and reporting the indicator.	Manager: Centre for research and Housing innovation
Indicator title	Identifies the title of the strategic outcome-oriented goal, objective or programme performance indicator.	% completion of a design of a green edge rated IBT house
Short definition	Provides a brief explanation of what the indicator is, with enough detail to give a general understanding of the indicator.	The indicator aim to track and maximise design capability of IBT system(s) that meets the green edge complaint home that helps with the reduction of carbon emissions and build resilience .

Purpose/importance	Explains what the indicator is intended to show and why it is important.	The indicator seeks to recommend the type of designs and IBT systems that will enable government to manage the effects of climate change.
Source/collection of data	Describes where the information comes from and how it is collected.	Draft design(s) by the NHBRC and reports
Method of calculation	Describes clearly and specifically how the indicator is calculated.	Weight in percentage allocated to all activities leading to the completion of a design, divide by 100% as per the design project plan
Data limitations	Identifies any limitation with the indicator data, including factors that might be beyond the department's control.	None
Type of indicator	Identifies whether the indicator is measuring inputs, activities, outputs, outcomes or impact, or some other dimension of performance such as efficiency, economy or equity.	activities
Calculation type	Identifies whether the reported performance is cumulative or non-cumulative.	Non- cumulative
Reporting cycle	Identifies if an indicator is reported monthly, quarterly, annually or at longer time intervals.	quarterly
New indicator	Identifies whether the indicator is new, has significantly changed, or continues without change from the previous year.	New
Desired performance	Identifies whether actual performance that is higher or lower than targeted performance is desirable.	Higher than targeted
Indicator responsibility	Identifies who is responsible for managing and reporting the indicator.	Manager: Centre for research and Housing innovation
Indicator title	Identifies the title of the strategic outcome-oriented goal, objective or programme performance indicator.	Number of home builders to be trained

Short definition	Provides a brief explanation of what the indicator is, with enough detail to give a general understanding of the indicator.	To ensure registered home builders receive continuous and refresher training on technical aspects
Purpose/importance	Explains what the indicator is intended to show and why it is important.	To equip home builders with technical knowledge and skill to improve the quality of construction and reduce the claims against the warranty fund
Source/collection of data	Describes where the information comes from and how it is collected.	Attendance registry/certifications
Method of calculation	Describes clearly and specifically how the indicator is calculated.	Number of home builders that attend the training Calculation is based on the number of home builders per module using unique ID numbers/NHBRC Registration number.
Data limitations	Identifies any limitation with the indicator data, including factors that might be beyond the department's control.	Failure to obtain accreditation from external institutions.
Type of indicator	Identifies whether the indicator is measuring inputs, activities, outputs, outcomes or impact, or some other dimension of performance such as efficiency, economy or equity.	Output
Calculation type	Identifies whether the reported performance is cumulative or non-cumulative.	Non-Cumulative
Reporting cycle	Identifies if an indicator is reported monthly, quarterly, annually or at longer time intervals.	Monthly, quarterly and annually
New indicator	Identifies whether the indicator is new, has significantly changed, or continues without change from the previous year.	continues without change from the previous year
Desired performance	Identifies whether actual performance that is higher or lower than targeted performance is desirable.	Higher than the target performance

Indicator responsibility	Identifies who is responsible for managing and reporting the indicator.	Manager: Education Training and Development
Indicator title	Identifies the title of the strategic outcome-oriented goal, objective or programme performance indicator.	Number of youth to be trained
Short definition	Provides a brief explanation of what the indicator is, with enough detail to give a general understanding of the indicator.	To ensure that youth people working on non-subsidy and government subsidised projects are trained on technical aspects
Purpose/importance	Explains what the indicator is intended to show and why it is important.	To equip people working on government projects with technical knowledge to improve the quality of construction and reduce the claims against the warranty fund To contribute to the development of skilled youth
Source/collection of data	Describes where the information comes from and how it is collected.	Attendance registry/certifications
Method of calculation	Describes clearly and specifically how the indicator is calculated.	Number of people that attend the training Calculation is based on the number of youth per module using unique ID numbers
Data limitations	Identifies any limitation with the indicator data, including factors that might be beyond the department's control.	Failure to obtain accreditation from external institutions.
Type of indicator	Identifies whether the indicator is measuring inputs, activities, outputs, outcomes or impact, or some other dimension of performance such as efficiency, economy or equity.	Output
Calculation type	Identifies whether the reported performance is cumulative or non-cumulative.	Non-Cumulative
Reporting cycle	Identifies if an indicator is reported monthly, quarterly, annually or at longer time intervals.	Monthly, quarterly and annually

New indicator	Identifies whether the indicator is new, has significantly changed, or continues without change from the previous year.	continues without change from the previous year
Desired performance	Identifies whether actual performance that is higher or lower than targeted performance is desirable.	Higher than the target performance
Indicator responsibility	Identifies who is responsible for managing and reporting the indicator.	Manager: Education Training and Development
Indicator title	Identifies the title of the strategic outcome-oriented goal, objective or programme performance indicator.	Number of women to be trained
Short definition	Provides a brief explanation of what the indicator is, with enough detail to give a general understanding of the indicator.	To ensure that women are trained in order to obtain a formal certification to support their already acquired skills
Purpose/importance	Explains what the indicator is intended to show and why it is important.	To equip women with technical knowledge to improve the quality of construction and reduce the claims against the warranty fund To ensure that the experience they acquire is aligned to the NHBRC Home Building Manual
Source/collection of data	Describes where the information comes from and how it is collected.	Attendance registry/certifications
Method of calculation	Describes clearly and specifically how the indicator is calculated.	Number of women that attend the training Calculation is based on the number of women per module using unique ID numbers
Data limitations	Identifies any limitation with the indicator data, including factors that might be beyond the department's control.	Failure to obtain accreditation from external institutions
Type of indicator	Identifies whether the indicator is measuring inputs, activities, outputs, outcomes or impact, or some other dimension of performance such as efficiency, economy or equity.	Output

Calculation type	Identifies whether the reported performance is cumulative or non-cumulative.	Non-Cumulative
Reporting cycle	Identifies if an indicator is reported quarterly, annually or at longer time intervals.	Monthly, quarterly and annually
New indicator	Identifies whether the indicator is new, has significantly changed, or continues without change from the previous year.	continues without change from the previous year
Desired performance	Identifies whether actual performance that is higher or lower than targeted performance is desirable.	Higher than the target performance
Indicator responsibility	Identifies who is responsible for managing and reporting the indicator.	Manager: Education Training and Development
Indicator title	Identifies the title of the strategic outcome-oriented goal, objective or programme performance indicator.	Number of military veterans to be trained
Short definition	Provides a brief explanation of what the indicator is, with enough detail to give a general understanding of the indicator.	To ensure that military veterans are trained to in order to obtain a formal certification to support their already acquired skills
Purpose/importance	Explains what the indicator is intended to show and why it is important.	To equip military veterans with technical knowledge to improve the quality of construction and reduce the claims against the warranty fund To ensure that the experience they acquire is aligned to the NHBRC Home Building Manual.
Source/collection of data	Describes where the information comes from and how it is collected.	Attendance registry/certifications
Method of calculation	Describes clearly and specifically how the indicator is calculated.	Number of military veterans that attend the training Calculation is based on the number of military veterans per module using unique ID numbers

Data limitations	Identifies any limitation with the indicator data, including factors that might be beyond the department's control.	Failure to obtain accreditation from external institutions
Type of indicator	Identifies whether the indicator is measuring inputs, activities, outputs, outcomes or impact, or some other dimension of performance such as efficiency, economy or equity.	Output
Calculation type	Identifies whether the reported performance is cumulative or non-cumulative.	Non-Cumulative
Reporting cycle	Identifies if an indicator is reported monthly, quarterly, annually or at longer time intervals.	Monthly, quarterly and annually
New indicator	Identifies whether the indicator is new, has significantly changed, or continues without change from the previous year.	continues without change from the previous year
Desired performance	Identifies whether actual performance that is higher or lower than targeted performance is desirable.	Higher than the target performance
Indicator responsibility	Identifies who is responsible for managing and reporting the indicator.	Manager: Education Training and Development
Indicator title	Identifies the title of the strategic outcome-oriented goal, objective or programme performance indicator.	Number of people with disabilities to be trained
Short definition	Provides a brief explanation of what the indicator is, with enough detail to give a general understanding of the indicator.	To ensure that people with disabilities are trained in order to obtain a formal certification to support their already acquired skills
Purpose/importance	Explains what the indicator is intended to show and why it is important.	To equip people with disabilities with technical knowledge to improve the quality of construction and reduce the claims against the warranty fund

		To ensure that the experience they acquire is aligned to the NHBRC Home Building Manual
Source/collection of data	Describes where the information comes from and how it is collected.	Attendance registry/certifications
Method of calculation	Describes clearly and specifically how the indicator is calculated.	Number of people with disabilities that attend the training Calculation is based on the number of people with disabilities per module using unique ID numbers
Data limitations	Identifies any limitation with the indicator data, including factors that might be beyond the department's control.	Failure to obtain accreditation from external institutions
Type of indicator	Identifies whether the indicator is measuring inputs, activities, outputs, outcomes or impact, or some other dimension of performance such as efficiency, economy or equity.	Output
Calculation type	Identifies whether the reported performance is cumulative or non-cumulative.	Non-Cumulative
Reporting cycle	Identifies if an indicator is reported monthly, quarterly, annually or at longer time intervals.	Monthly, quarterly and annually
New indicator	Identifies whether the indicator is new, has significantly changed, or continues without change from the previous year.	continues without change from the previous year
Desired performance	Identifies whether actual performance that is higher or lower than targeted performance is desirable.	Higher than the target performance
Indicator responsibility	Identifies who is responsible for managing and reporting the indicator.	Manager: Education Training and Development
Indicator title	Identifies the title of the strategic outcome-oriented goal, objective or programme performance indicator.	Number of technical professionals to be trained

Short definition	Provides a brief explanation of what the indicator is, with enough detail to give a general understanding of the indicator.	To ensure that inspectors receive continuous and refresher training on technical aspects
Purpose/importance	Explains what the indicator is intended to show and why it is important.	To equip inspectors with technical knowledge and skill to improve the quality of inspection and reduce the claims against the warranty fund To improve productivity and loyalty and to motivate inspectors by introducing them to new skills
Source/collection of data	Describes where the information comes from and how it is collected.	Attendance registry/certifications
Method of calculation	Describes clearly and specifically how the indicator is calculated.	Number of inspectors that attend the training Calculation is based on the number of inspectors per module using unique ID numbers/employee number
Data limitations	Identifies any limitation with the indicator data, including factors that might be beyond the department's control.	Failure to obtain accreditation from external institutions
Type of indicator	Identifies whether the indicator is measuring inputs, activities, outputs, outcomes or impact, or some other dimension of performance such as efficiency, economy or equity.	Output
Calculation type	Identifies whether the reported performance is cumulative or non-cumulative.	Non-Cumulative
Reporting cycle	Identifies if an indicator is reported monthly, quarterly, annually or at longer time intervals.	Monthly, quarterly and annually
New indicator	Identifies whether the indicator is new, has significantly changed, or continues without change from the previous year.	continues without change from the previous year

Desired performance	Identifies whether actual performance that is higher or lower than targeted performance is desirable.	Higher than the target performance
Indicator responsibility	Identifies who is responsible for managing and reporting the indicator.	Manager: Education Training and Development
Indicator title	Identifies the title of the strategic outcome-oriented goal, objective or programme performance indicator.	Number of Artisans to be trained
Short definition	Provides a brief explanation of what the indicator is, with enough detail to give a general understanding of the indicator.	To ensure that artisans are trained to in order to obtain a formal certification to support their already acquired skills
Purpose/importance	Explains what the indicator is intended to show and why it is important.	To equip artisans with technical knowledge to improve the quality of construction and reduce the claims against the warranty fund To ensure that the experience they acquire is aligned to the NHBRC Home Building Manual
Source/collection of data	Describes where the information comes from and how it is collected.	Attendance registry/certifications
Method of calculation	Describes clearly and specifically how the indicator is calculated.	Number of artisans that attended the training Calculation is based on the number of artisans per module using unique ID numbers
Data limitations	Identifies any limitation with the indicator data, including factors that might be beyond the department's control.	Failure to obtain accreditation from external institutions.
Type of indicator	Identifies whether the indicator is measuring inputs, activities, outputs, outcomes or impact, or some other dimension of performance such as efficiency, economy or equity.	Output
Calculation type	Identifies whether the reported performance is cumulative or non-cumulative.	Cumulative

Reporting cycle	Identifies if an indicator is reported quarterly, annually or at longer time intervals.	Monthly, quarterly and annually
New indicator	Identifies whether the indicator is new, has significantly changed, or continues without change from the previous year.	continues without change from the previous year
Desired performance	Identifies whether actual performance that is higher or lower than targeted performance is desirable.	Higher than the target performance
Indicator responsibility	Identifies who is responsible for managing and reporting the indicator.	Manager: Education Training and Development

Programme 3: Consumer Protection

Indicator title	Identifies the title of the strategic outcome-oriented goal, objective or programme performance indicator.	Number of homes to be enrolled in the subsidy sector
Short definition	Provides a brief explanation of what the indicator is, with enough detail to give a general understanding of the indicator.	When Government entities enrol the subsidised properties where services already exist. Properties are enrolled with the NHBRC through the evaluation of the selling price (approved quantum for the period), soil type, foundation type, payment of prescribed enrolment fees and Engineering assessments. Enrolment triggers the inspection by NHBRC during construction and a 5 year structural warranty on the house from date of occupation.
Purpose/importance	Explains what the indicator is intended to show and why it is important.	To regulate the construction activities in the sector and ensure home owners are protected against structural defects that may occur within a period of 5 years from date of occupation.
Source/collection of data	Describes where the information comes from and how it is collected.	The information is collected by NHBRC Provincial offices and is recorded manually.

Method of calculation	Describes clearly and specifically how the indicator is calculated.	The total number of units within a project.
Data limitations	Identifies any limitation with the indicator data, including factors that might be beyond the department's control.	Data is collected manually.
Type of indicator	Identifies whether the indicator is measuring inputs, activities, outputs, outcomes or impact, or some other dimension of performance such as efficiency, economy or equity.	Output
Calculation type	Identifies whether the reported performance is cumulative or non-cumulative.	Non-Cumulative
Reporting cycle	Identifies if an indicator is reported monthly, quarterly, annually or at longer time intervals.	Monthly, quarterly and annually
New indicator	Identifies whether the indicator is new, has significantly changed, or continues without change from the previous year.	Continues without changes
Desired performance	Identifies whether actual performance that is higher or lower than targeted performance is desirable.	Higher than the target
Indicator responsibility	Identifies who is responsible for managing and reporting the indicator.	Executive Manager: Business Services
Indicator title	Identifies the title of the strategic outcome-oriented goal, objective or programme performance indicator.	Number of home enrolments Non-Subsidy
Short definition	Provides a brief explanation of what the indicator is, with enough detail to give a general understanding of the indicator.	When home builders enrol the properties they intend to build prior to commencement of construction, properties are enrolled with the NHBRC through the evaluation of the selling price, soil type, foundation type and payment of prescribed enrolment fee and/ financial bank guarantee

		Enrolment triggers the inspection by the NHBRC during construction and a 5-year structural warranty on the house from date of occupation
Purpose/importance	Explains what the indicator is intended to show and why it is important.	To regulate the construction activities in the sector and ensure that home owners are protected against structural defects that may occur within a period of 5 years from date of occupation
Source/collection of data	Describes where the information comes from and how it is collected.	The information is submitted by the home builders and captured in the CRM system Enrolment forms together with supporting documents and copy of enrolment certificates
Method of calculation	Describes clearly and specifically how the indicator is calculated.	The total number of enrolled homes certified within a specified period Certificate issued date is recorded on the system
Data limitations	Identifies any limitation with the indicator data, including factors that might be beyond the department's control.	None
Type of indicator	Identifies whether the indicator is measuring inputs, activities, outputs, outcomes or impact, or some other dimension of performance such as efficiency, economy or equity.	Output
Calculation type	Identifies whether the reported performance is cumulative or non-cumulative.	Non-Cumulative
Reporting cycle	Identifies if an indicator is reported monthly, quarterly, annually or at longer time intervals.	Monthly, quarterly and annually
New indicator	Identifies whether the indicator is new, has significantly changed, or continues without change from the previous year.	continues without change from the previous year

Desired performance	Identifies whether actual performance that is higher or lower than targeted performance is desirable.	Higher than the target
Indicator responsibility	Identifies who is responsible for managing and reporting the indicator.	Executive Manager: Business Services
Indicator title	Identifies the title of the strategic outcome-oriented goal, objective or programme performance indicator	% Implementation of Communication Plan
Short definition	Provides a brief explanation of what the indicator is, with enough detail to give a general understanding of the indicator.	To measure progress of all activities planned in the communication plan
Purpose/importance	Explains what the indicator is intended to show and why it is important.	To ensure that the communication plan is implemented.
Source/collection of data	Describes where the information comes from and how it is collected.	Communication plan
Method of calculation	Describes clearly and specifically how the indicator is calculated.	% of achieved activities against the total number of planned activities planned
Data limitations	Identifies any limitation with the indicator data, including factors that might be beyond the department's control.	None
Type of indicator	Identifies whether the indicator is measuring inputs, activities, outputs, outcomes or impact, or some other dimension of performance such as efficiency, economy or equity.	Activities
Calculation type	Identifies whether the reported performance is cumulative or non-cumulative.	Cumulative
Reporting cycle	Identifies if an indicator is reported monthly, quarterly, annually or at longer time intervals.	Monthly, quarterly and annually

New indicator	Identifies whether the indicator is new, has significantly changed, or continues without change from the previous year.	New
Desired performance	Identifies whether actual performance that is higher or lower than targeted performance is desirable.	Higher than the target
Indicator responsibility	Identifies who is responsible for managing and reporting the indicator.	Manager Corporate Communication